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Palestinian Affairs

'Ashrawi Discusses Results of Tunis Meeting

JN1708150193 Paris Radio Monte Carlo in Arabic 1200 GMT 17 Aug 93

["Exclusive" telephone interview with Hanan 'Ashrawi, spokeswoman for the negotiating delegation, by Faridah al-Shubashi and Kamal Tarabayh in the studio; place and date not given—recorded]

[Text] [Al-Shubashi] We begin with a question about an evaluation of the move to add personalities from the occupied Palestinian territory to the Palestine National Council [PNC] and the PLO Central Council [PCC] memberships.

['Ashrawi] There have always been vacancies and candidates for the PNC and the PCC. The trend now, as we heard, is to add members and effect a sort of change in the composition. This is a trend, not a final decision.

[Al-Shubashi] What is Washington's position on these changes? The Israeli position is known.

['Ashrawi] The problem is a Palestinian one, based on Palestinian rights and needs. It does not need blessings, reactions, or acceptance from the United States or Israel. As for the interrelationship between this problem and the negotiations issue, it is clear that from the beginning of the negotiations, the Palestinian delegation has always been a PLO delegation. The PLO formed it, appointed its membership, and assigned them their tasks. It has been supervising the negotiating process and making political decisions. This is the beginning of dealing with reality, without closing one's eyes or circumventing reality. Israel wants to deal with a reality imposed by it. It does not want to deal with genuine reality. This has proved to be an unsuccessful move for the past two years of the negotiations. It is one of the causes of the lack of progress in the negotiations and the cause of continuous crisis in this process. It is necessary to apply reason and responsibility to dealing in a way that respects Palestinian legitimacy.

[Tarabayh] Let us go back to the differences between the Palestinian negotiating delegation and the PLO's Tunis leadership. As is well-known, the dispute occurred because of so-called excesses. Do you believe the Tunis agreement will continue to be firm? Will the future bring problems and other matters that could bring differences between the internal [occupied territory] and external Palestinians to a head?

['Ashrawi] We are not two sides with differences or agreements. We are one side. As a result of the Palestinian people's conditions—one-third of the people are languishing under occupation and two-thirds are in the diaspora—difficulties were created for Palestinian action. What happened was a result of this difficult situation, the result of some administrative and practical loopholes and some structural and organizational issues concerning action. This cannot be regarded as a substantive dispute, but it can be regarded as an error in the modus operandi.

There have been serious and committed attempts to rectify the situation and create a mechanism of action, an arrangement and a structure that would be harmonious with the need to improve the performance of the Palestinian action. This issue remains an internal problem pertaining to raising the efficiency of the Palestinian side in the negotiations, the decisionmaking process, and the followup mechanism. This issue was discussed in a responsible and a frank manner. We reached a modus operandi that will at least bypass the procedural matters that were behind these problems.

[Al-Shubashi] The bilateral negotiations will resume in Washington on 31 August. The Palestinian president, Yasir 'Arafat, yesterday stressed the question of Jerusalem. Does your going to the negotiations mean there are new changes in the U.S. and Israeli attitudes toward the Palestinian position on Jerusalem?

['Ashrawi] Judging by the overt statements of the Israeli side, they are dealing with Jerusalem as an ideological issue, not as a fact within the framework of international reality and legitimacy and as a question of right and a necessary element within the terms of reference of the negotiating process. We have no indications that there is a substantive or deep-rooted change in these positions. There is a sort of understanding, or let us say readiness, to deal with Jerusalem in the transitional phase, but this does not mean U.S. acceptance of international legitimacy or Palestinian rights. This is a crisis issue. It continues to be at the core of the differences in views. It has led to the impasse. If the Israeli position does not change—if the United States does not become a full partner to make the participants respect the process' terms of reference and international law—there will be no progress in the negotiations.

[Al-Shubashi] Is there Arab and Islamic support for the Palestinian demand to regain Jerusalem?

['Ashrawi] Let us say there is verbal support. Regrettably, this support is not on the level that is needed, in terms of responsibility, intervention, or participation. We feel we have been left alone to defend the Arabism of Jerusalem, the Islamic and Christian Jerusalem, the Palestinian Jerusalem, without effective participation and support.

[Tarabayh] Is it possible to make progress on a certain track, for instance, on the Palestinian-Israeli track, without similar progress on the other negotiating tracks, especially on the Syrian-Israeli track?

['Ashrawi] Let us, frankly, say that the Palestinian-Israeli track began from the below-zero level, while the other tracks began with the final solution to implement Resolution 242. This means that there has been a delay on the Palestinian track, in terms of time and in terms of discussions. We need a solid and united Arab stand to

raise the Palestinian track to the level of the other tracks in order to discuss the final solution directly, as they are doing themselves. The issue remains a relative one.

As for the possibility of a separate solution by one side, we not only think this possibility is remote, but we say it will never happen. This is due to the Arab commitment to a comprehensive solution and to supporting the Palestinian stand and cause, which is the core of the dispute and the key to a solution. Any short-term or relative difference now does not mean a certain side is going it alone. We are certain that no Arab side will reach a solution unless there is a comprehensive concept and substantive progress on the Palestinian track.

[Al-Shubashi] Thank you, Dr. 'Ashrawi.

'Abd-Rabbuh on Tunis Meeting, Upcoming Talks

TA1708180493 Jerusalem AL-QUDS in Arabic 17 Aug 93 pp 1, 15

[Interview with PLO Executive Committee member Yasir 'Abd-Rabbuh by unidentified correspondent; place and date not given]

[Text] [AL-QUDS] How would you describe the climate of the recent Tunis meetings?

['Abd-Rabbuh] The leadership's meetings were held in a climate of serious discussion about the course of the current process, which aims at reaching a peaceful solution based on the framework and terms of reference of the talks, epitomized by Resolution 242 calling for Israeli withdrawal from the occupied territories. During the meetings, a review was conducted of the recent U.S. paper that called for taking measures for a functional transfer in the occupied territories to the Palestinian side and setting up a Palestinian self-administration coexisting with the occupation, instead of advocating an end to the occupation. There was a unanimous decision to reject this U.S. approach, which is biased in favor of the Israeli will and which, according to the U.S. paper, calls for dividing the interim stage into interim stages without any sort of linkage between them. Moreover, the meetings seriously addressed the internal Palestinian situation, ensuring that some of the internal work mechanisms would be corrected and improved, especially those involving the management and steering of the talks. Some of the bodies in the decisionmaking mechanism were cut down and, in return, participation in the main decisionmaking mechanism, pertaining to the negotiating process, was expanded. This was to ensure the widest popular participation in the adoption of crucial decisions concerning the Palestinian people.

[AL-QUDS] Can you provide details on the discussions held in those meetings about the current peace process?

['Abd-Rabbuh] The discussions focused on recent developments in the U.S. and Israeli positions. The Palestinian leadership noted the retreat in the U.S. position over commitment to the terms of reference and framework of the talks, epitomized by Resolutions 242 and 338. In its meetings, the leadership reaffirmed the Palestinian red lines that cannot be crossed or conceded and which stipulate that the final aim of the negotiations is to bring about Israeli withdrawal from the occupied territories and achieve our people's right to self-determination. The leadership noted that the intransigence of the U.S. position and behind it that of the Israeli position, which rejects direct negotiations with the PLO, constitute the biggest obstacle to achieving quick progress in the negotiating track. Furthermore, the leadership affirmed that creating the required breakthrough in the talks calls for a bold Israeli-U.S. decision to negotiate directly with the PLO leadership in Tunis and begin discussion about the shape of a final solution.

The leadership noted some indications within U.S. circles involved in the talks to begin discussion of the final solution. At the same time, the leadership affirmed that the Gaza-Jericho option is the most sound option for beginning the interim stage. It is not only the option of disengagement between the two sides, but constitutes a firm and strong link between the interim stage measures and the aim of the final talks, which seeks to bring about full Israeli withdrawal from the occupied territories, based on the talks terms of reference.

[AL-QUDS] What about participation in the upcoming round of talks? Has the leadership made a clear decision in this regard?

['Abd-Rabbuh] Yes. There was a unanimous decision by the leadership not to give an opportunity to the U.S. and Israeli sides to put the blame on the Palestinian side for the talks failure. Here, I can cite the words of brother Dr. 'Abd-al-Shafi at the meetings. He said: Even if we do not achieve a breakthrough or progress, with our participation we will be able to expose the U.S. and Israeli positions disavowing our people's rights.

[AL-QUDS] From what you are saying, you do not seem optimistic about the future of the peace process and the achievement of a breakthrough in the negotiating track.

['Abd-Rabbuh] On the whole, a climate of pessimism prevailed at the Tunis meetings with regard to achieving a breakthrough in the negotiating process. This is because of the grave retreat in the U.S. position, manifested by the recent U.S. paper, in addition to the continued U.S. hints threatening a financial and economic blockade, and the application of pressure on the Palestinian side to make concessions. In its meetings, the leadership went on record as advocating a firm position of not giving in to pressure and blackmail while continuing to adhere to the red lines, which were reaffirmed. Also the fact was noted that the current U.S. Administration, which is more biased toward the Israeli side than its predecessor, will bear the responsibility for the region's plunging into a state of "political deadlock" if the talks fail and if the available historic window of

opportunity to achieve a real breakthrough in the region's ongoing conflict is closed.

[AL-QUDS] Then what is the basis for the optimistic statements by some Palestinians and the Egyptian side indicating a possibility of achieving peace agreements in the region before the end of the year?

['Abd-Rabbuh] As far as the statements by the Egyptian brothers are concerned, those brothers might have their own assessment of the peace process developments. This is a sole Egyptian concern. As far as the Palestinian appraisal is concerned, however, I can confirm that the leadership is not optimistic of an imminent breakthrough in this process.

[AL-QUDS] The news media recently carried reports on meetings by Israeli Government officials with members of the PLO leadership. Among the meetings mentioned were the Sarid-Sha'th and Peres-Abu-Mazin [Mahmud 'Abbas] ones. Can you confirm whether these meetings did take place?

['Abd-Rabbuh] I can say that there have been recent Israeli attempts to probe the Palestinian position and devise loopholes in it by which it would be possible to create a breakthrough in that position. This is the reason for some of the official Israeli initiatives to hold meetings with members of the Palestinian leadership, especially the Sarid-Sha'th meeting. As for the Peres- Abu-Mazin meeting, I can confirm that this meeting did not take place and there is no basis whatsoever to the reports in this respect. I can confirm that a meeting did take place in Paris several months ago between Shulamit Aloni [Israeli minister of communications, science, and technology] and Mahmud Darwish.

[AL-QUDS] What is the significance of the Palestinian leadership's step to include members of the Palestinian negotiating delegation in the higher committee of the talks?

['Abd-Rabbuh] The Palestinian leadership decided to include brothers from the Palestinian negotiating team in the higher committee supervising the talks in conformity with the leadership's decision on the need for holding direct negotiations with the PLO and also in order to rectify and improve the decisionmaking mechanisms pertaining to the negotiations.

On the basis of the decision emanating from the Tunis meetings, those brothers have become official PLO members, not only delegated by the PLO to negotiate on its behalf. This decision puts the Israeli side before one option only: To negotiate directly with the PLO and its leadership. We hope that the U.S. side will realize the need of initiating these direct negotiations, because eventually it will be forced to take such a step when talks are held over the issue of Palestinian refugees in the Arab diaspora, as no one can talk in their name except the PLO and its leadership in Tunis.

[AL-QUDS] But some of the analyses are portraying the recent inclusion of some delegation members into this body as a drama that was prepared and planned in advance and which seeks to transfer the political decisionmaking from Tunis to Jerusalem?

['Abd-Rabbuh] These analyses and rumors arouse indignation and are based on the desire by some inside the Palestinian rank to draw borders and partitions between sectors of our people in the occupied territories and the diaspora. This is in the interest of the parties opposite us in the peace process and whose negotiating strategy is based on the principle of dividing our people between the inside and outside, between refugees and not refugees. I can confirm that the Palestinian leadership has the utmost confidence in the delegation members. Hence, it rejected their resignation. The leadership supports them with all its capabilities. As for the reason a decision was made to include them in the higher body managing the talks: This decision, which also meant reducing some of the intermediary bodies between the delegation and the leadership, was adopted to enhance participation in the political decisionmaking and to strengthen and consolidate the Palestinian position against the pressure being exerted on it as well as to improve the decisionmaking mechanism. This decision is basically compatible with the tendency by the Palestinian leadership to expand Palestinian popular participation in decisionmaking, including the tendency to expand membership in the PLO National and Central Councils by appointing a large number of brothers inside the occupied territories as members in these two councils.

Abu-Sharif Urges Early Meetings With Israel

PM1708154293 Paris LIBERATION in French 14-15 Aug 93 p 10

[Interview with Bassam Abu-Sharif, adviser to PLO Chairman Yasir 'Arafat, by Jose Garcon; place and date not given]

[Excerpt] [passage omitted] Strengthened by the restoration of its position, the PLO seems to want to press its advantage by trying to accelerate the peace process. In this context Bassam Abu-Sharif, one of Yasir 'Arafat's close advisers, is reintroducing the idea of creating a "provisional government" which, though it has the advantage of bringing together both the "internal" and the "external" leaders, is far from enjoying the unanimous support of the Palestinian leadership. Several Palestinian organizations doubt that such a government will "free" 'Arafat from the constraints still placed on him by the structures and political program of the Palestinian leadership. Specifying for the first time that this government could be based in Jericho, Bassam Abu-Sharif made official the PLO leadership's willingness to content itself with establishing a Palestinian authority over a tiny portion of the occupied territories. This gamble is not without risks for Yasir 'Arafat and his staff. The "moderation" that permitted the PLO to force open the negotiations door must be promptly repaid.

Otherwise, their opponents within the PLO could find real support among the Palestinian population.

[Garcon] What is your explanation of the crisis that we are witnessing?

[Abu-Sharif] It is a complex problem that combines several factors. Insofar as the delegation is based in Jerusalem and the PLO leadership in Tunis, there is a problem of logistics. Hitherto there has been no structure that permitted the negotiators to take part in debates and decisionmaking affecting the peace process. It is also true that the present problem would not have existed if everyone had respected the PLO's internal discipline. It is esential that this happen in the future. There is, moreover, a problem connected with the period of discussions that we have entered. We feel that we are at a key point in the negotiations, which should result in something concrete by the end of the year. In this connection many PLO cadres and even its leaders are wondering what the nature of the next stage will be. Will a provisional government be formed? What will be the personal future of each of us? These issues are prompting questions and real anxieties among the external Palestinians. Last, the very great and profound financial crisis that we are experiencing is having terrible consequences within the occupied territories, but also in Tunis and in other Arab countries where Palestinians have taken refuge. All this is causing tensions on both sides.

[Garcon] The PLO has stated that the negotiators "act directly under its leadership." Can we expect a reshuffle of the delegation to the peace talks?

[Abu-Sharif] The occupied territories negotiated the first stage of the settlement. Now that ewe are close to a solution, the PLO must take part in future negotiations. The delegation will continue is work until a qualitative change occurs in relations between the PLO and the Israeli Government. And I think that this will happen soon. Conditions are ripe for further meetings very soon between PLO leaders and members of the Israeli Government. It must be specified that "internal" Palestinian leaders can join the committee following the negotiations created by the PLO (to coordinate work between meetings of the Palestinian leadership's Executive Committee).

[Garcon] How do you think the peace process could be accelerated?

[Abu-Sharif] The American Administration must take part in it as a real partner and abandon its policy of dual standards with regard to observance of UN Security Council resolutions, especially 242 and 338 (which envisage, among other things, an Israeli withdrawal from the occupied territories—LIBERATION editor's note). For its part, the Israeli Government must be sure that there will be no solution other than its recognition of the PLO as the Palestinian people's legitimate representative. Last, I suggest the formation of a Palestinian provisional government comprising personalities from the occupied territories and the PLO, perhaps even certain members of its Executive Committee. Such a government, under the authority of Yasir 'Arafat, president of the Palestinian State, could negotiate the final stage of the peace process in the near future, to resolve the problems more effectively than the present committee. The seat of this provisional government could be Jericho, in the northern West Bank.

Sha'th on Autonomy, Delegation, Contacts With Israel

JN1708202793 Jerusalem Qol Yisra'el in Arabic 1430 GMT 17 Aug 93

[Telephone interview with Nabil Sha'th, adviser to PLO Chairman Yasir 'Arafat, by correspondent Sa'id Mu'addi, from the "With the Events" program in Cairo; date not given—recorded]

[Text] [Mu'addi] Dr. Nabil Sha'th, good evening.

[Sha'th] Good evening. You are welcome.

[Mu'addi] Dr. Nabil Salih Ra'fat said in Amman today that the PLO intended to include members of the Palestinian delegation in the Palestine National Council [PNC] and the PLO Central Council. Has any decision been made about this?

[Sha'th] Neither the PNC committee nor the PLO Executive Committee has met to make such a decision. These may be proposals. However, there have always been PNC and PLO Central Council members from the occupied lands, but no names have yet been disclosed. Since there is no longer any problem with the Israeli side in this regard, I believe that these names can be announced in the future.

[Mu'addi] How do you view the settlement of the crisis that emerged between the PLO leadership and several major members of the Palestinian delegation like Faysal al-Husayni, Dr. 'Ashrawi, and Dr. Sa'ib 'Urayqat?

[Sha'th] In fact, we cannot call it a settlement because these brothers are leaders of the negotiating Palestinian delegation and the occupied territories. Therefore, they came to their leadership in Tunis to discuss the best ways of improving contacts and modes of action regarding negotiations. A very positive spirit prevailed at the meetings. They are members of the negotiations follow-up committee and have the right to make proposals and to listen. As a result, confidence in them was renewed, and they also renewed their commitment to work. Therefore, I believe the matter was within the one party rather than between parties.

[Mu'addi] What are the Palestinian delegation's bases for future action? Do you believe a change occurred after the Steering Committee was formed and after seven members of the Palestinian delegation were included in that committee?

[Sha'th] This will only promote action. It will increase the joint action between the higher PLO leadership in Tunis and the delegation's leadership. The members of

the delegation who belong to the leadership committee, which I have the honor to chair, used to come to Tunis and meet with that delegation on their way to or from Washington. Now, they are regular memDers of this committee. Undoubtedly, this will promote their participation and their performance.

[Mu'addi] Will the Palestinian side accept the Gaza-Jericho option first during the upcoming round of negotiations in Washington late this month?

[Sha'th] We are very serious about discussing this proposal. We believe it is practical and important and will allow the Palestinian people in Gaza and in another important and dear part of the West Bank to exercise all their powers over that limited area of land. This constitutes a basis for a comprehensive agreement on the occupied Palestinian land. I believe this proposal will be better if it is approved after reaching an agreement on a joint declaration of principles. Only then can we pave the way for a comprehensive agreement and begin applying it in Gaza and Jericho.

[Mu'addi] Do you believe there is a chance of reaching a joint declaration of principles during the 11th round?

[Sha'th] I believe it is possible, but I do not know if it will take place. I do not know, because it depends on the positions of the Israeli delegation and the U.S. sponsor. The papers representing the Palestinian reply were presented to Secretary Christopher. I believe that Israeli papers were also presented to him. We are awaiting the new U.S. paper in light of our proposal to the Americans. So, we should know that the matters depend on these papers—and the ball is in the American and Israeli courts—before trying to foresee any possibility of reaching an agreement on principles. We are ready, but we are waiting for the other side.

[Mu'addi] Dr. Nabil Sha'th, the last question is: What are your latest contacts with Israeli Government officials?

[Sha'th] In fact, these contacts are important, and they have never ceased. I said this in the past, and I also said that it was not a question of names and officials. We want these meetings to develop toward a recognition of the PLO by the Israeli Government and to get Israel to consider it the best side for direct negotiation, just as it is negotiating with the Jordanian Government, the Syrian Government, and the Lebanese Government. Therefore, I believe that this is a positive step toward achieving a true, just, comprehensive, and lasting peace based on equality among the parties concerned.

[Mu'addi] Thank you very much.

[Sha'th] You are welcome.

'Abd-al-Shafi Says No Changes in Delegation

TA1708135393 Jerusalem AL-QUDS in Arabic 16 Aug 93 p 8

[By Samir 'Izzat Ghayth]

[Text] Jerusalem—Dr. Haydar 'Abd-al-Shafi, head of the Palestinian delegation to the peace talks, has stressed that the news media and some Israeli officials have greatly exaggerated the differences in the Palestinian ranks inside and outside stemming from his call for a collective leadership.

In an exclusive statement to AL-QUDS, 'Abd-al-Shafi added that theoretically there might be differences of opinion, but as a delegation we normally consult and coordinate with our leadership. So far there are no major problems. During the recent Tunis meetings, we affirmed the principle of coordination and methods of consultation.

Regarding his expectations from the upcoming 11th round, 'Abd-al-Shafi said: I cannot predict anything now, but as I have repeatedly emphasized, I am not optimistic because of Israeli intransigence and the biased U.S. position toward Israel.

On the possibility that changes might take place in the makeup of the Palestinian negotiating delegation, 'Abd-al-Shafi gave a negative response. With regard to the call for setting up the nucleus of a Palestinian state in Jericho, 'Abd-al-Shafi said: Such a call will not be accepted unless Israel agrees to withdraw without conditions or unless it is a step in the implementation of a comprehensive agreement covering all the occupied Arab territories.

On the beginning of the loss of hope by Palestinians from the negotiations, 'Abd-al-Shafi said: Our people are right, because the talks have failed to make progress in the long period since they were launched. I say that this difficult and critical situation dictates, foremost of all, arranging the Palestinian house so that it will be able to adopt sound decisions in confronting the crisis which the Palestinian problem is experiencing. This can be done by launching a Palestinian dialogue that focuses on the issue of arranging this house.

Transfer of PLO Offices to Cairo Discussed

NC1808053293 Cairo AL-AHALI in Arabic 11 Aug 93 p 1

[Text] Egyptian-Palestinian contacts are under way to agree on arrangements for transferring the PLO's headquarters from Tunis to Cairo. A PLO delegation will arrive in Cairo soon to discuss the details in line with the conditions that Egypt has set for the transfer.

Report Examines PLO's Financial Situation

NC1808083493 Paris AFP in English 0745 GMT 18 Aug 93

[By Jean-Luc Renaudie]

[Text] Jerusalem, Aug 18 (AFP)—The Palestine Liberation Organisation's huge network of social, financial and military operations is falling apart amid a crippling financial crisis.

Trained guerrillas are working as butchers' boys, experienced officials are scraping a living working in restaurants and laundries, and tens of thousands of Palestinians accustomed to receiving many of the benefits provided by a real state from the PLO are finding their only source of livelihood cut off.

The financial crisis was precipitated by PLO Chairman Yasir 'Arafat's support for Iraq after its 1990 invasion of Kuwait, which prompted the oil-rich Gulf Arab states to withdraw funding to the PLO, estimated by the United Nations to have run into hundreds of millions of dollars a year.

Tens of thousands of Palestinians with well-paid jobs were thrown out of Kuwait in the aftermath of the emirate's liberation by a U.S.-led multinational force in 1991, leading to a further drying-up of funds.

The results have been devastating. Palestinian "prisoners of war" in Israeli military jails have not received their monthly payment of between 75 and 105 dollars for five months.

Many academics, officials and fighters have not received their salaries from the PLO for months.

PLO representation across the world has been cut back, personnel at the head office in Tunis has been slashed. Two high schools run by the organisation have been closed down in Lebanon, home to 350,000 Palestinians, and where the Palestinian Red Crescent medical service has been paralysed for a year.

Families stormed a U.N. food store in a refugee camp in Lebanon two weeks ago and made off with sacks of flour and sugar.

But the most serious effect is in the Israeli-occupied territories of the Gaza Strip, West Bank and East Jerusalem, where, according to estimates by Palestinian economists, annual funding from the PLO for educational, social, health and political organisations has been cut by between 70 and 80 percent.

Economists estimate annual PLO funds to the territories of 300 to 310 million dollars have dropped to between 60 and . million dollars.

Many Palestinian analysts see another reason for the Arab states' continued withholding of funds: they want to pressure the PLO into making concessions in the Middle East peace talks.

"Cutting off aid to the Palestinians is aimed at making them desperate, so they accept whatever solution they can get," said Munir Maqdah, head of the forces in Lebanon of Fatah, the main PLO faction.

In the Israeli-occupied West Bank and Gaza Strip, the Islamic fundamentalist Hamas is welcoming with open arms Palestinians disillusioned with 'Arafat's organisation.

Funding for universities in the territories, with their 13,000 students, has all but dried up. According to Palestinian economist Samir Hulaylah, the institutions received between 22 million and 25 million dollars annually before the Gulf War: now they get only two million dollars a year.

Lecturers at Bi'r Zayt, the most prestigious university in the occupied territories, have not been paid for two months.

"The only course of action for the universities is to drastically increase their fees, which will mean 60 percent of students abandoning their studies," Hulaylah told AFP.

He added that 42,000 families eligible for PLO "social services" risked going broke.

The "people's committees" aiding the intifada, or uprising, against the Israeli forces are in serious financial difficulty. The committee in Tulkarm, in the north of the West Bank, has had its funds chopped from 20,000 dollars a month to 5,000 dollars.

Algeria

Two 'Islamic Militants' Shot Dead Near Algiers

NC1808065093 Paris AFP in English 2315 GMT 17 Aug 93

[Text] Algiers, Aug 18 (AFP)—Two armed Islamic fundamentalists were shot dead on Tuesday [17 August] by security forces on the coast road west of Algiers, police said.

Their deaths brought to six the number of Islamic militants killed in the past 24 hours.

Egypt

Interior Minister Wounded in Assassination Attempt

Bodyguards Reported Killed

NC1808084093 Cairo MENA in Arabic 0833 GMT 18 Aug 93

[Text] Cairo, 18 Aug (MENA)—An explosion occurred near the American University at the al-Tahrir Square in central Cairo this morning. Commanders of the security agencies and senior Interior Ministry officials proceeded to the scene of the explosion to determine the cause.

As it happens, the incident was an attempt to assassinate Interior Minister Hasan al-Alfi, who was on his way to the ministry. Unidentified men fired bullets at his car and the bodyguards' car accompanying him down al-Shaykh Rayhan Street, where the Interior Ministry is located. The incident took place several meters from the Interior Ministry building. The interior minister was hit by some bullets in the arm. A number of his guards were killed, including his personal guard, who was driving a motorcycle in front of the interior minister's car. The criminals fired a hail of bullets at the interior minister's car and the accompanying bodyguards' Jeep from the right side and from the front. It is highly likely that they ambushed the interior minister in the area opposite the American University on al-Shaykh Rayhan Street. The interior minister was immediately taken to the hospital for treatment. The security agencies surrounded the area in search of the criminals. Eyewitnesses said that the criminals fled in the direction of the al-Tahrir Square after carrying out their terrorist operation.

Sources at the Police Hospital in al-'Ajuzah, where Interior Minister al-Alfi has been taken, said that his condition is reassuring, that he was hit in the right arm, and that he was given the necessary first aid.

An initial inspection by the experts from the Interior Ministry's criminal laboratory revealed that the blast was caused by a timed explosive device which unidentified men had placed on a motorcycle between two parked cars on the right side of the road in front of the American University. The device went off when the interior minister's motorcade passed. These experts say it is highly likely that the detonation occurred by remote control or that one of the culprits set the timer in the device as soon as the interior minister's motorcade arrived after receiving a signal from another criminal watching the arrival of the interior minister's car.

The explosion left Mansur 'Abd-al-Fattah Mansur, 45, dead. He was the attendant at the American University parking lot and was in the area when the blast occurred. The explosion also caused damage to about 15 private cars, smashed the glass facade of the al-Hurriyah movie theater on al-Shaykh Rayhan Street and some glass panes of the Social Affairs Ministry, and felled three trees.

It transpired that the parcel containing the explosive device was placed on a motorcycle bearing al-Jizah license plates No. 161002.

Forensics experts from the Interior Ministry inspected the motorcycle. The al-Jizah traffic department has been asked to provide information about the motorcycle's owner. The forensics experts have removed the charred remains of the parcel from the scene of the blast. According to a security source, the explosive charge used by the terrorists in the attack contained more than 1 kg of TNT and a large amount of small ball bearings.

Police are searching for the perpetrators of the bombing.

Ministry Issues Statement

NC1808112993 Cairo MENA in Arabic 1108 GMT 18 Aug 93

[Text] Cairo, 18 Aug (MENA)—The Interior Ministry has issued a statement regarding the attack against Interior Minister Hasan al-Alfi today. The text of the statement follows:

At 1100 today, an explosive device went off on al-Shaykh Rihan Street, at the entrance to the Social Affairs Ministry, as the interior minister's motorcade was passing. The minister was hit in the right arm. He was given first aid, and his condition is reassuring. The explosion killed three citizens and wounded 15 others who happened to be in the area of the explosion. They were taken to hospitals for treatment.

An initial investigation showed that the explosion was caused by an explosive device containing ball bearings. The prosecution has been informed to begin an investigation.

The Interior Ministry confirms that reports by news agencies about an exchange of fire during the incident is totally incorrect.

Source Denies Police Fire Hit Citizens

NC1808135393 Cairo MENA in Arabic 1310 GMT 18 Aug 93

[Text] Cairo, 18 Aug (MENA)—A responsible security source has stated that the shots heard during the incident

that involved Interior Minister Major General Hasan al-Alfi today were a precautionary and spontaneous reaction on the part of the security men who were in the area. He affirmed that no citizens were wounded by these shots.

The source added that the condition of the wounded persons is reassuring, they are receiving the necessary and full medical care, and the Interior Ministry's public relations department is following up their cases.

Airport Security Tightened

NC1808122793 Cairo MENA in Arabic 1130 GMT 18 Aug 93

[Text] Cairo, 18 Aug (MENA)—A responsible security source at Cairo International Airport has stated that starting today, strict measures will be taken at the airport to check the passports of outgoing passengers. The decision was made to prevent the perpetrators of the assassination attempt against the interior minister from escaping via the airport.

It has also been decided to undertake a close search of outbound passengers' luggage, particularly handbags and personal effects.

The source added that permits will no longer be granted to individuals to enter the customs circle at the airport to see off or receive passengers. The identity of persons carrying permanent permits and airport employees will be checked.

The source pointed out that all the cars entering or leaving the airport will be searched and that strict control measures will be introduced at the airport parking lot.

In another development, several roadblocks have been erected along the road to the airport to search suspicious cars.

Mubarak Visits Western Region En Route to Libya

NC1708133393 Cairo Arab Republic of Egypt Radio Network in Arabic 1300 GMT 17 Aug 93

[Text] President Muhammad Husni Mubarak arrived at Sidi Barrani airport at 1300 today. He was received by Defense Minister General Husayn Tantawi and Western Region Commander Major General Mustafa 'Afifi. President Mubarak reviewed the guard of honor and the national anthem was played upon his arrival. The president was accompanied by Information Minister Safwat al-Sharif and Cabinet Affairs Minister Dr. 'Atif 'Ubayd. The president then headed to the headquarters of the Western Military Region where he opened a services complex.

Addresses Military

NC1708171993 Cairo MENA in Arabic 1510 GMT 17 Aug 93

[Text] Sidi Barrani, 17 Aug (MENA)—President Husni Mubarak has announced that Egypt is constantly making progress, noting that economic reform preserves the country's existence and the well-being of the citizens.

President Mubarak, addressing the officers, noncommissioned officers, and troops of the Western Military Region, explained that the economic reform program's difficult stages have already passed, declaring: We will have economic stability in 1995.

He added: The question is being raised if this means that prices will drop in 1995. Prices are rising worldwide but in 1995 we will achieve a balance between wages and prices. This means market stability.

The president pointed out that without the economic reform process, which began in 1982, the country would now be close to bankruptcy. He added: If we imagine that prices could have remained constant since 1982 while prices in the rest of the world were rising, then this would have required an amount of subsidizing beyond Egypt's capabilities and would have signified a total cessation of life and a complete lack of resources to maintain the state and the basic services it offers.

President Mubarak explained the difficult circumstances the Egyptian economy has experienced since 1982, particularly the time when all loans stopped, which endangered the normal course of life in the country and threatened it with the prospect of being unable to obtain basic commodities.

The president affirmed that the economic reforms have been first and foremost for the citizens' benefit. He said a comparison of the country's economic conditions in 1982 and 1993 shows a great difference. In place of a total collapse in 1982, the country is now able to provide basic requirements and possesses the foreign currency reserves that the citizens need.

Emphasizing that the most difficult stage has passed, President Mubarak noted that a large percentage of Egypt's debts have been written off, both the military debt owed to the United States and other debts owed to Western countries. He said this was the result of agreements with the IMF.

The president explained that the economic reform policy provides a greater opportunity for the private sector to own the means of production, but this does not mean that the major industrial enterprises will be privatized.

President Mubarak continued: Our commitment to a more liberal foreign trade policy is not being implemented at the expense of our domestic Egyptian industrial products, which continue to enjoy protection. Domestic products, however, must be developed in a way that makes them competitive with foreign products.

Commenting on the quest to achieve a wage-price balance, the president said: This cannot be done by mere procedural efforts but by actual work, greater effort, and producing better quality goods.

The president asserted: We must seek to provide job opportunities in places other than government departments because the future belongs to private enterprise, investment projects, and small businesses.

President Mubarak said young people must know that there is nothing shameful about starting their working life with small businesses, which can grow larger with experience. He added that social norms and traditions have begun to change as a result of the population increase and the economic burdens.

President Mubarak said that Egypt is not the state of corruption, noting that the state pinpoints cases of corruption and exploitation and refers them to the judiciary. We should not hurt ourselves and accuse our society of being corrupt, he said, affirming that the state does not shelter corruption or those involved in it.

Speaking about the cabinet reshuffle, the president pointed out that he told chief editors of Egyptian newspapers at a recent meeting that the change will be made after July. He noted, however, that this does not indicate a specific date. The president remarked that change is a natural thing but that it should serve public interests.

There will be no change for the sake of change, he emphasized, explaining that it is his policy to make the change an objective one so that it can achieve the desired goal. The president noted that 104 cabinets have taken power in Egypt in its history and that none of these cabinets survived more than a year. That is why no progress was made and no cabinet took the responsibility to achieve any goal. He affirmed that he seeks to establish stability so that the goals can be achieved.

The president said: Since I took the responsibility, I have changed 68 ministers in four ministries over two terms of office. He noted here that selecting a minister is not as easy as some may think, since ministers shoulder unbearable responsibilities under difficult conditions and during transitional stages at the political, economic, and social levels.

Speaking about Egypt's regional role, President Mubarak asserted that it is a strong regional state that carries weight. He pointed out that the strong armed forces and the capabilities represented in our civilization, culture, scientists, judiciary system, democracy, international relations, and the weight we carry in Africa are the most important elements of Egypt's power.

Talking about the Egyptian Constitution, President Mubarak asserted that it provides the necessary guarantees for protecting Egypt's independence and sovereignty and safeguards citizen's freedoms, rights, and duties. He noted that the Egyptian Constitution took the social traditions, circumstances, and customs into consideration.

Touching on the transfer of power, Mubarak noted that it is done in democratic states through political pluralism and competition in accordance with the Constitution by winning the majority of parliamentary seats. He affirmed that it is the people who have the final word and not the speeches, articles, and slogans created by a minority that has no public base. He noted that pluralism enables the majority to take responsibility for the ruling process.

Touching on terrorism, President Mubarak noted that those involved in it are a few outlaws who have sold themselves to the devil. He remarked that terrorism means the assassination of an entire people. We will confront this very firmly and without leniency to safeguard citizens' security and the homeland's stability, he said.

The president paid tribute to the citizens who stand up to terrorism and sacrifice their lives so that the entire nation can live in peace. He affirmed that the state is fully responsible for taking care of the victims of the hateful terrorism committed by a minority that wants to rid the citizen of his peace and to threaten the homeland's progress and future.

On the projects that were executed during the first and second five-year plans, President Mubarak explained that the country saved 100 billion Egyptian pounds and that 1,227 projects, costing 61 billion pounds, were implemented. Some 40 billion pounds worth of small industrial, agricultural, and services projects were also implemented, he added.

Without establishing the infrastructure, the president explained, we would not have been able to make progress or open the door to investment. He said: We began with the infrastructure and with the economic reform policies after convening a national economic conference in which all political forces participated and approved. And yet, some people today criticize our economic policies. When they are asked about the alternative, they either do not reply or they keep it to themselves.

President Mubarak reviewed the achievements in the fields of electricity, roads, transport, railways, and new cities. Without these, he said, agricultural areas and hundreds of factories using Egyptian, Arab, and foreign capital could not have been established. These factories, he added, represent a foundation stone for the national economy and production and create many job opportunities.

On foreign policies, President Mubarak explained that Egypt is dealing with the whole world—small and large nations alike—equally and with mutual respect. We reject any pressure in any form and we reject the establishment of any bases on our land, he said. He added: The people of Egypt know that we reject all forms of subservience and that our positions are clearly patriotic. We therefore reject what is being circulated by some trumpets that want to harm Egypt, trumpets that reiterate that Egypt submits to pressure or accepts subservience.

On Egypt's agreement with the IMF, President Mubarak said that the agreement is unprecedented and that our good relations with the world played a basic role in reaching the first and second agreements, which took into consideration the social dimension and the resources and capabilities of society.

President Mubarak said: When I have a decision to make affecting citizens, I put myself in the place of the citizens and assess their circumstances and problems. I reject any decision that fails to take the social dimension into consideration.

President Mubarak then discussed the peace process, the exchanged papers, and the positions of all parties to the talks. He said that there is no alternative to peace as a way to achieve stability in the region and attain the legitimate rights of the Palestinian people.

The president referred to his talks and meetings with a number of kings and heads of states during his visit to Brussels at the beginning of the month to offer condolences on the death of Belgium's king. He said the talks dealt with the Middle East issue and the problem between Libya and the West. He noted the special and distinguished relations between Egypt and the Libyan Jamahiriyah. He said that the visit he is paying to Libya today is aimed at exchanging views with brother Colonel Mu'ammar al-Qadhdhafi, leader of the Libyan revolution, on all issues of concern to the two fraternal countries.

On Egyptian-Sudanese relations, President Mubarak stressed that there is no problem between the two countries and that Egypt is eager to solve all its disputes with Sudan. He said the foreign ministers of the two countries are taking care of this.

Musa, Lebanon's Buwayz Discuss Ministerial Meeting

NC1708202193 Cairo MENA in Arabic 1525 GMT 17 Aug 93

[Text] Cairo, 17 Aug (MENA)—Foreign Minister 'Amr Musa has stated that he received a telephone call from Lebanese Foreign Minister Faris Buwayz today. He said that the discussions dealt with the date of the meeting of the Arab countries' foreign ministers concerned with the peace process.

The foreign minister said that the date of the meeting has not been set.

[Cairo MENA in Arabic at 1718 GMT on 17 August, in a similar Beirut-datelined report, said: "MENA has learned that Lebanese Foreign Minister Faris Buwayz and Egyptian Foreign Minister 'Amr Musa in their telephone conversation this evening initially agreed on 25 August as the date for the meeting in Beirut of the Arab cordon states foreign ministers. 'Amr Musa will have returned from his African tour, which will begin Thursday [12 August]."]

Paper on Possible Mubarak Visit to Israel

NC1708202993 Cairo AL-WAFD in Arabic 11 Aug 93 p 1

[Report by 'Abd-al-Nabi 'Abd-al-Sattar]

[Text] Israel is currently trying to convince President Husni Mubarak to visit Tel Aviv before the end of the year and after the referendum on his third presidential term.

Diplomatic sources in Cairo affirmed that Israeli Prime Minister Yitzhaq Rabin has renewed his invitation for the third time to President Mubarak to visit Israel. Tel Aviv has informed Cairo of the importance of Mubarak's visit, which will serve to support the Israeli Government's peaceful trend and increase the number of Israelis who support the peace process. The sources noted that President Mubarak has a sincere desire to visit Israel at the appropriate time.

Israel expects some ranking officials at the Foreign Ministry to visit the country soon for consultations on issues related to the peace process. The visit would be part of Egyptian efforts to eliminate obstacles threatening this process.

'Amr Musa and Shim'on Peres previously agreed to exchange visits on a regular basis.

Israeli Ambassador Returns From Visit Home

NC1808061293 Cairo MENA in Arabic 2140 GMT 17 Aug 93

[Text] Cairo, 17 Aug (MENA)—Israeli Ambassador David Sultan returned to Cairo tonight after a several-day visit to his country. On his return he said that Israel appreciates Egypt's efforts to resume the peace talks in Washington at the end of this month. He emphasized the importance of the Egyptian role in boosting the peace process.

Sultan said Egypt is exploiting its good relations with all the concerned parties, particularly the Palestinians, in order to make positive efforts for the cause of peace.

The Israeli ambassador voiced hope that the next round of talks would be fruitful and yield results on the Syrian and Palestinian tracks.

Security Forces Arrest 55 Suspects in Qina

NC1808075593 Cairo AL-JUMHURIYAH in Arabic 13 Aug 93 p 8

[Excerpts] Ambiguity still surrounds the assassination of Major General 'Abd-al-Hamid Ghubarah, assistant security director in Qina; his bodyguard; and his driver. A new plan has been devised to expand the search and intensify the investigation in the area of the incident. [passage omitted]

During the past 48 hours, the security services raided furnished apartments in Naja' Hammadi and Qina and

arrested 55 suspects. The security services are questioning them with the knowledge of the State Security Investigations Department and the Public Security Department. The owners of nine furnished apartments were referred to court on charges of not reporting the rental of the apartments. [passage omitted]

During a major two-day campaign, the Cairo police has detained 49 extremists and seized 120 kg of dynamite. [passage omitted]

Officials Uncover Terrorist 'Command Group'

NC1708205993 Cairo AL-AHALI in Arabic 11 Aug 93 p 1

[Report by Mahmud al-Hadari]

[Text] Terrorist activity increased enormously in the past few days, with incidents occurring mainly outside Cairo. This happened after the terrorists were dealt, in their own words, a devastating but "temporary" blow. A dangerous "command group" of 12 members, responsible for recent terrorist operations either by planning or actually taking part in the action, has been uncovered.

The Interior Ministry's security forces have also arrested the suspects believed to be involved in the theft of explosives from quarries in Abu Za'bal.

The investigation of recent terrorist operations has uncovered a 12-man ring, all of whom are leaders of extremist groups that planned or carried out 14 terrorist acts between July 1992 and July 1993. These included the assassination of Major General Muhammad al-Shimi and Lieutenant Colonel Mahran 'Abd-al-Rahim and several others attacks in Cairo. It is also believed that this group of 12 played a role in attacks carried out in the past few days, the most serious of which was the assassination of Maj. Gen. 'Abd-al-Hamid Ghabarah, assistant police director in Qina; his bodyguard; and driver. Other attacks included the police resthouse in al-Qusiyah, the martyrdom of police informer Muhammad Rashwan, and the assassination of police officer 'Abd-al-Hamid Jad al-Rabb Zurayq in Aswan.

The following names have been given as members of the terrorists' "command group": 'Isam Karam, 'Abd-al-Hamid Abu-'Aqrab, 'Abd-al- Rahim 'Abbas Zaki, Munir 'Abd-al-Hafiz, and Khalifah Mahmud. All are leaders of Islamic groups or al-Jihad divisions, particularly in Asyut and Qina.

Investigations into the burglary of the Mineral Resources Quarries Company's dynamite stores showed that dynamite warehouses in six governorates have been burglarized and more than three tons of dynamite have disappeared. The investigations revealed that the quarries lack any proper system for the storage of dynamite or ways of controlling the quantities arriving at and leaving the stores.

Investigations also showed that the transfer of dynamite from the company's warehouses to the quarries is carried out without proper security measures and without informing the security authorities. As a result 65 vehicles carrying dynamite were stolen in the past three years.

A security official has announced that some quarries do not notify the security agencies when they transfer the merchandise. He said the reason is the very high profits, amounting to 500 percent of the cost, that they make.

Police Release Fundamentalists Accused in Plot

NC1808072193 Paris AFP in English 0010 GMT 18 Aug 93

[Text] Cairo, Aug 18 (AFP)—A military court on Tuesday [17 August] released five members of a group of 250 Muslim fundamentalists accused of belonging to an illegal group plotting against the state, citing lack of evidence, official sources said.

The sources said the releases, by the Cairo military High Court, brought to 65 the number of those accused of belonging to the Tala'i' al-Fath (spearhead of victory) group who had been released for lack of evidence.

It was not known whether any of some 18 Palestinians detained in connection with the same case were among those released.

On Sunday the military High Court opened the trial of a first group of 53 fundamentalists accused of being members of the illegal group. The case is due to last until August 25.

Judicial sources said charges against a second group of members of Tala'i' al-Fath, would be announced by authorities on Thursday.

The trials of Muslim fundamentalists have been dealt with by military courts since a ruling by President Husni Mubarak, allowed under special emergency laws, last October.

Such courts have so far sentenced 21 fundamentalists to death, while the High State Security Court has handed down one death penalty. Fifteen of these sentences have been carried out since June 13.

Five People, Policeman Injured in Cairo Market Riots

NC1708201293 Cairo MENA in Arabic 1621 GMT 17 Aug 93

[Text] A responsible security source at the Interior Ministry has stated that a large number of merchants at the vegetable market of Rawd al-Faraj in northern Cairo gathered in the market today to discuss their problems because of the decision to transfer them to the new al-'Ubur market.

The source added in an Interior Ministry statement that when some of the merchants tried to leave the market to engage in riots and breach order, security forces immediately tried to stop them. Some of them, however, fired

gunshots and threw stones at the police and citizens, slightly injuring a policeman and some citizens. The wounded received the necessary treatment at the hospital and were discharged immediately.

The source said that five citizens were slightly injured in the incidents.

Major General Mansur al-'Isawi, assistant interior minister and Cairo security director, and other Interior Ministry officials went to the scene where they met with the merchants to discuss their problems and draw their attention to the need to abide by the law and use the legitimate channels to convey their complaints.

The merchants formed a delegation to meet with representatives of the competent authorities to discuss their demands. The prosecution was notified and investigations have started.

The statement said that the Interior Ministry appeals to citizens to present their demands in the ways specified by the law. It said the Ministry warns against any attempt to depart from legitimacy and that it will confront such attempts forcefully and decisively to protect the lives and security of citizens.

It should be noted that all the merchants of Rawd al-Faraj market must move to the new market no later than 1 September. A public garden will be built in the market's place.

Al-Baz Sees Less Support for Terrorist 'Fanatics'

PM1608145293 Milan PANORAMA in Italian 15 Aug 93 pp 82-83

[Interview with Usamah al-Baz, director of the Egyptian president's office for political affairs, by Carlo Rossella; place and date not given]

[Text] Usamah al-Baz is Husni Mubarak's top adviser. He is a protagonist of Egypt's secret and official diplomacy. There is not one ambassador in Cairo who does not spend time in his office in the president's palace. Here are Usamah al-Baz' views on Islamic terrorism and its international roots.

[Rossella] Is fanaticism endangering Egypt's stability?

[Al-Baz] The system is in no danger whatsoever. Nor is there any prospect of destabilization. Of course, there is a group of fanatics carrying out attacks in the hope of achieving political results through bombing and murder. But this is a very limited phenomenon, under control.

[Rossella] But these fanatics appear to be ruling the roost in certain areas in Egypt and certain quarters of Cairo.

[Al-Baz] That was so until a short time ago... Now the situation has changed. They frightened people with their attacks. They struck at the feelings of a people accustomed to centuries of tolerance. They brought the tourist industry to its knees, causing unemployment and misery. Any support has diminished considerably, believe me.

[Rossella] But how many Islamic "militants" are there?

[Al-Baz] About 15,000, mostly between 18 and 35 years old. They are recruited among the poorer sectors of the population and the young unemployed.

[Rossella] Who is funding and backing them?

[Al-Baz] Iran, Sudan. It is well known that many of their leaders spent some time in Sudan, in training camps disguised as farms. Many of them are veterans of Afghanistan, people who fought with the mojahedin, people trained at the time by the CIA, capable of attacking a police station, of making bombs and planting them in bars in the main towns....

[Rossella] What does the Egyptian Government intend to do—apart from tough repression and death sentences—to deprive the terrorists of the support they enjoy among the destitute?

[Al-Baz] We will improve our social policy. For example, we have already earmarked 400 billion pounds to rebuild the Imbabah quarter. We will also create new jobs for the young.

[Rossella] Are you optimistic about the future?

[Al-Baz] It would be tragic if I were not. Egypt is a great country. Terrorism is a phenomenon which many modern countries have to live with. People plant bombs in London and Milan too, yet tourism is not affected. I do not understand why tourists shun Egypt. By September or October, terrorism will be as good as negligible. The tourists will return.

[Rossella] Do you think that the United States will agree to the extradition of Shaykh 'Abd-al-Rahman?

[Al-Baz] I can say that it will return him to us after it has finished investigating his connection with the World Trade Center bomb attack.

[Rossella] Is it true that the Islamic extremists are also collecting funds in Italy?

[Al-Baz] Yes, among the emigrant community, with the excuse of helping Islam and building new mosques.

Editorial Criticizes U.S. Position on Bosnia

NC1708101693 Cairo MENA in Arabic 0605 GMT 17 Aug 93

[Text] Cairo, 17 Aug (MENA)—The newspaper AL-AKHBAR criticized the position of the United States and the Western countries on the tragedy of the people of Bosnia-Herzegovina and their refusal to risk the life one soldier to save a whole population that is facing a battle of life and death in the midst of flagrant and unprecedented international crime. In an editorial today, the paper said that a comparison between the position of the

United States and the Western countries during the Gulf crisis and the tragedy of Bosnia reveals clearly that we now live in a world where principles and ideals have vanished and where everything now has a price, even defending the rights of small countries to independence, sovereignty, and a safe life.

The paper said that Bosnia's poverty is a factor in ignoring all violations of international law and human rights by the Western countries, which take pride in their civilization and progress. Concluding its editorial, AL-AKHBAR said that a comparison between what happened in the Gulf and what is happening in Bosnia confirms that the big powers' forces have become more like mercenary armies that act only for a price.

Libya

Mubarak Arrives in Tripoli for 'Brief Visit'

Al-Qadhdhafi Embraces Mubarak

NC1708194893 Cairo MENA in Arabic 1855 GMT 17 Aug 93

[Text] Tripoli, 17 Aug (MENA)—President Husni Mubarak arrived in Tripoli tonight for a brief visit to Libya. His excellency was greeted with a major official reception at Tripoli Airport.

Brother Colonel Mu'ammar al-Qadhdhafi, leader of the Libyan revolution, who headed the reception delegation, embraced President Mubarak after he got off the plane. Bouquets of flowers were presented to the president, who afterwards shook hands with the senior members of the reception delegation, including Col. 'Abu-Bakr Yunus Jabir, Major al-Khuwaylidi al-Humaydi, the secretary and members of Libya's General People's Congress, and other senior officials.

President Mubarak was accompanied on his visit by Information Minister Safwat al-Sharif; Dr. 'Atif 'Ubayd, minister of state for Cabinet Affairs; Dr. Usamah al-Baz, Foreign Ministry first under secretary and director of the President's Office for Political Affairs; and Dr. Zakariya 'Azmi, director of the presidential office.

Mubarak Details Contacts With West

NC1708205193 Cairo Arab Republic of Egypt Radio Network in Arabic 2000 GMT 17 Aug 93

[Text] President Muhammad Husni Mubarak arrived at Tripoli International Airport at 2030 Cairo time, 1930 Tripoli time, today. Brother Colonel Mu'ammar al-Qadhdhafi, leader of the Libyan revolution, senior Libyan officials, several Arab and African ambassadors, and Egyptian Ambassador to Libya Mustafa al-Shadhili were on hand to receive him.

Our radio correspondent has learned that President Mubarak will brief brother Col. al-Qadhdhafi on the intensive contacts that he has held with the United States, Britain, and France to give diplomats a chance to settle those countries' conflict with Libya, particularly after Libya has announced that it is renouncing terrorism.

Brother Col. al-Qadhdhafi escorted President Mubarak to the guest palace where the president will stay during the visit. Immediately upon their arrival they held talks that lasted more than one and a half hours. During the meeting, attended by the members of the Egyptian and Libyan delegations, they exchanged views and assessed developments on several issues in light of international changes and the new world order. Notable issues included the conditions in Bosnia-Herzegovina, the situation in Somalia, the Middle East issue, the peace negotiations, and Egypt's principled stand on the Palestinian people's rights. President Mubarak said that Egypt does not interfere in Palestinian decisionmaking.

The Libyan delegation members participating in the two countries' talks include Jum'ah al-Fazzani, secretary of the General People's Committee for Unity; 'Ali Mursi al-Sha'iri, secretary of the General People's Committee for Information, Culture, and Mass Mobilization; Ibrahim al-Bishari, coordinator of Egyptian-Libyan relations; and Muhammad al-Huwayshi, chairman of the board of directors of the Arab Libyan Foreign Investment Company.

The Egyptian delegation includes Information Minister Safwat al-Sharif; Dr. 'Atif 'Ubayd, minister of state for administrative development; Dr. Zakariya 'Azmi, director of the Presidential Office; Dr. Usamah al-Baz, Foreign Ministry first under secretary and director of the President's Office for Political Affairs; and Mustafa al-Shadhili, Egyptian ambassador to Libya.

After the talks ended Col. al-Qadhdhafi hosted a dinner banquet in honor of President Mubarak. This was attended by Libyan senior state officials and the members of the Egyptian delegation accompanying President Mubarak.

Tomorrow President Mubarak will continue his consultations with brother Col. al-Qadhdhafi on issues of interest to the Arab and Islamic world and, in particular, the issue of the Libyan-Western conflict.

The Libyan capital's media and political observers have praised President Muhammad Husni Mubarak's efforts to resolve the Libyan-Western conflict peacefully.

Leaders Hold Closed Session

NC1808101893 Cairo MENA in Arabic 0949 GMT 18 Aug 93

[Text] Tripoli, 18 Aug (MENA)—A closed session of talks lasting about two hours was held this morning between President Husni Mubarak and Colonel Mu'ammar al-Qadhdhafi.

Information Minister Safwat al-Sharif stated that this meeting is considered a continuation of the expanded session of talks held last night and attended by members of

the Libyan and Egyptian delegations. The talks at this meeting dealt with the new world order and its effects on the regional issues, such as the Middle East issue and others.

Safwat al-Sharif said that the Egyptian-Libyan talks also dealt with the effects of the new world order on various issues, such as the situation in Bosnia-Herzegovina and Somalia, and the positions of the two countries on these issues. The talks also dealt with the new situations and the political and economic changes the new world order has imposed on Bosnia-Herzegovina and Somalia.

Safwat al-Sharif noted that leaders Mubarak and al-Qadhdhafi concentrated during their talks today on a number of issues of mutual interest. He pointed out that President Mubarak continues his efforts to bring viewpoints closer in the Western-Libyan dispute and contacts on this issue.

He said that there are a number of topics and projects of interest to the two countries regarding cooperation, coordination, and integration in all fields.

Investment Opportunities Discussed

NC1808093793 Cairo Arab Republic of Egypt Radio Network in Arabic 0800 GMT 18 Aug 93

[Text] Dr. 'Atif 'Ubayd, minister of cabinet affairs and minister of state for administrative development and environmental affairs, met today with Mr. 'Umar Rashwan, Libyan minister of development [name and title as heard], and Mr. Muhammad al-Huwayyid, head of the Libyan Investment Company. Minister 'Ubayd discussed with them possibilities of cooperation between Egypt and Libya in the field of investment.

Oil Pipeline Project Discussed

NC1808131593 Cairo Arab Republic of Egypt Radio Network in Arabic 1130 GMT 18 Aug 93

[Text] The expanded meeting held between the Egyptian and Libyan delegations today after the closed meeting between leaders Husni Mubarak and Mu'ammar al-Qadhdhafi concluded this afternoon. During the meeting, views were exchanged about the Arab situation and ways to cope with world changes. The two sides exchanged views about efforts to resolve the Lockerbie issue.

Presidents Mubarak and al-Qadhdhafi reviewed a number of issues of mutual interest, particularly the project to modernize and expand crossing points to allow for increased exchange between Egypt and Libya. They agreed to hold a meeting of the joint committee to discuss issues pertaining to the customs tariff with a view to increasing the volume of trade.

The meeting also assessed the steps taken so far in the project to build a railway line linking the two countries. Designs and technical studies were considered.

The two leaders also discussed the electricity link project in light of the studies and designs undertaken in this connection.

The two leaders and delegations discussed a project to link petroleum pipelines. They agreed to hold a meeting of Egyptian and Libyan experts to carry out the project.

Further on Tripoli Decision on Lockerbie Suspects

NC1808064093 Paris AFP in English 2259 GMT 17 Aug 93

[Text] Tripoli, Aug 17 (AFP)—Libya said Tuesday [17 August] it was prepared to discuss the possibility that two Libyans accused of blowing up a U.S. airliner over Lockerbie, Scotland, in 1988 could be tried in Britain or the United States.

It also expressed readiness to cooperate with French magistrates probing the bombing of a UTA airliner over Niger in 1989.

Foreign Minister 'Umar al-Muntasir told AFP the two men in the Lockerbie affair "have the right to turn themselves over to whomever they want and Libya is prepared to discuss this topic with a representative of the U.N. Security Council or of the U.N. secretary general.

"Libya does not rule out the participation of any country in these talks, if they take place, even including Britain or the United States," he said.

Libya had to date insisted that 'Abd-al-Basit al-Mijrahi [spelling of surname as transliterated] and al-Amin Khalifah Fahimah be tried in a "neutral" country, thereby excluding Britain and the United States.

Al-Muntasir emphasized that his country could not extradite the two men without their consent and that they must be convinced about going on trial in Britain or the U.S..

"Libyan laws bar Libyan authorities from extraditing their citizens," he stressed.

Al-Muntasir also said Libya was prepared to allow French anti-terrorist investigating judge Jean-Louis Bruguiere to question four Libyan officials suspected in connection with the bombing of the French jet over Niger.

Al-Muntasir said Libya had "handed over to the French judge all the information he had requested concerning the aircraft" which exploded over Niger on a flight from Brazzaville to Paris killing all 170 people on board.

He said "high level talks" had taken place on the matter between Libyan and French foreign ministry officials. However he did not say when they occurred.

"There could be a very positive outcome provided there is cooperation from the French," he said.

Bruguiere tried to enter Libya last November as part of his investigations but the Libyans refused to let him in because he travelled to Tripoli on a French warship - a move Libya viewed as "hostile".

The four officials Bruguiere wants to question include 'Abdallah al-Sanusi the brother-in-law of Libya's ruler Colonel Mu'ammar al-Qadhdhafi and the man believed to be the deputy chief of the Libyan secret service.

Al-Muntasir said he told U.N. Secretary General Butrus Butrus-Ghali at a meeting this month that Libya was willing to discuss measures regarding the venue for the trial of the two Lockerbie suspects.

He declined to comment on a warning on Friday by Washington, London and Paris setting October 1 as a deadline to hand over the two suspects, short of which they would seek the U.N. Security Council's reinforcement of sanctions slapped on Libya on April 15, 1992.

The sanctions already include an air and military embargo and the three Western countries said they planned to step up the measures by including the oil, financial and technological sectors.

The Libyan minister said Libyan and British officials had met two weeks ago in Cairo and that his country had conveyed "all data requested by London" but gave no other details.

Arab-Libyan Group Statement on UN Sanctions Extension

LD1708164693 Tripoli JANA in Arabic 1500 GMT 17 Aug 93

[Text] Tripoli, 17 Aug (JANA)—The Arab-Libyan Committee for Solidarity and Peace has issued a statement on the extension of the unjust [UN] Security Council resolution against the Great Socialist People's Libyan Arab Jamahiriyah. It states: Over 16 months have elapsed since the international Security Council imposed unjust sanctions on the Arab Libyan people by way of its resolutions that were imposed by the United States, Britain and France.

While the Arab-Libyan Committee for Solidarity and Peace strongly condemns the continuation of the siege, which has inflicted great moral and material damage on the Arab Libyan people, it confirms the following:

1. Its condemnation, in principle, of all forms of terrorism. It also reiterates its disapproval of the official terrorism practiced by the three Western countries vis-a-vis this issue represented in the outdated practice of threats, warnings, and displays of power.

2. It has become clear to everyone that the majority of states, official and popular organizations, regional and international, understand these policies and support the efforts made by Al-Jamahiriyah in dealing with this issue.

3. Despite the legal shortcomings over the legitimacy of the Security Council resolutions pertinent to this crisis, the Great Jamahiriyah has agreed and implemented what could be agreed upon, and has carried out the wishes of the paragraphs of these resolutions. (?This was done) out of the concern of the Arab Libyan people for world security and peace and (?the government's) pursuit of dialogue as the sole means to solve conflicts and disputes, and to respect what is left of the prestige of the UN and international institutes while waiting for world stability and the establishment of legitimacy following the vacuum and the imbalance that evolved during the period of policy domination by one superpower.

4. Thus, the Arab Libyan Committee for Solidarity and Peace calls on [words indistinct] and solidarity and peace movements, popular organizations and committees, world countries and peoples to continue their efforts to lift the unjust siege on the Arab Libyan people in confirmation of basic human rights, UN principles, and international laws and conventions.

Sudan

Commentary Urges UN To Serve International Interests

EA1808110093 Omdurman Sudan Broadcasting Service Network in Arabic 0315 GMT 17 Aug 93

[Commentary by Al-Khayr Abdullah Mahjub, read by Muhammad al-Kabir al-Kutubi]

[Text] Observers see the 48th session of the UN General Assembly, due to convene in September, as being particularly important to the developing countries, in that sensitive issues pertaining to the security and national independence of most of the Third World countries, including Sudan, are to be discussed.

After the world emerged from the balance of power era following the fall of communism, the United Nation's role became subject to much doubt and distortion, particularly as regards its dealings with the states of the Third World because the United Nations transgresses the bounds of known norms and covenants. Thus, the United Nations is intervening in Somalia while proving itself helpless in Bosnia-Herzegovina. This is in addition to its collusion and entanglement in many other issues, particularly in terms of the activities of its Security Council.

In this respect, Sudan expressed a clear opinion, which it transmitted to the UN secretary general, calling for membership of the Security Council to be given based on considerations of geography—for example, Africa and the non-aligned states—and in relation to the structural framework of the United Nation's economic and social institutions and organizations. Sudan sees the need to look into all these matters so that they are resolved in the interests of all the members in general. At present, all indications are that the United Nations shows favor to some and enmity to others.

Into the (?spectrum) of this state of affairs comes the participation of a high-level Sudanese delegation in the 48th session of the UN General Assembly. The delegation comes, hoping that the session will become a forum for rectifying many misconceptions, incorrect information, and views which have become entrenched in the minds of various circles and in world public opinion, and has been distorted by the Western media.

The entry of Sudan into the process of rectifying these concepts will be represented by an objective and comprehensive speech on the country's achievements at the political, economic, and social levels. It is intended to rectify, redirect, and refute the inventions and baseless allegations being fabricated about Sudan, which are also characterized by accusations of terrorism and other issues unknown in Sudan. In fact, enmity towards Sudan is now something practiced by a number of media and political circles. Their sole aim is to create confusion, distortion, and damage. Perhaps one of the latest conspiracies being hatched by these circles for these purposes is the draft resolution submitted to the U.S. Congress, which falsely accuses Sudan of terrorism. This, of course, is in addition to the dubious moves to put an end to the country's sincere efforts towards achieving peace.

In general, it is to be hoped that the 48th session of the UN General Assembly will replace international (?lethargy) with something that will serve the interests of the nations and peoples. This is the appeal Sudan makes before every gathering. It hopes to serve man and mankind, to guarantee the nonviolation of any boundary of human rights in the various political, economic, and social spheres.

Iran Said Still Holding 'Thousands' of Iraqi POW's

JN1808112293 Baghdad INA in Arabic 0830 GMT 18 Aug 93

[Text] Baghdad, 18 Aug (INA)—The newspaper AL-THAWRAH strongly condemns the inhuman and illegal Iranian conduct against Iraqi prisoners of war [POW's].

In an article published today, the paper says that the Iranian conduct toward Iraqi POW's reflects the Tehran regime's backward, futile, and eccentric approach.

The paper indicates that the Iranian regime continues to hold tens of thousands of Iraqi POW's, some of whom are registered with the International Committee of the Red Cross [ICRC], while others are not, in blatant contravention of all heavenly and earthly values and rules. Worse still, the paper adds, this backward regime has continued to harbor the delusion that it can obliterate the facts known to the ICRC through deception and false statements that do not hold water.

The paper goes on to say: This inhuman Iranian conduct toward Iraqi POW's has something to do with the backward and futile approach of the Tehran regime. This approach has manifested itself in dictatorial and oppressive polices against the Iranian people and in aggressive and expansionist policies toward external parties. Yes, this Iranian behavior is a true reflection of this approach.

The paper examines the reasons that prompted the Iranian regime to engage in this inhuman and illegal conduct, saying: This regime views Iraqi POW's as hostages, even though, legally speaking, they cannot be deemed so. This regime has made a habit of not freeing hostages before they are bargained over, and before it receives a political and financial price. That is why it continues to view the issue of Iraqi POW's as an Iranian trump card, which it could use to achieve its malicious objectives and purposes. This regime, which has continued to profess adherence to Islam and to the articles of Islamic faith over the past 14 years, has forgotten that the injunctions of true Islam, as well as the principles of international law and humanitarian conventions, dictate that it should release all POW's and allow their repatriation without any delay, particularly since hostilities between the two countries ceased a long time ago.

The paper adds: Another reason for this behavior toward Iraqi POW's is an attempted Iranian cover-up. The regime is trying to cover the many lies it issued during the war between the two countries in its continuous and persistent efforts to minimize the grave human losses it sustained, particularly in major battles. Because of this, this regime has continued to falsely claim that Iraq continues to hold 5,000 Iranian POW's, although Iraq freed all Iranian POW's, totaling some 39,000 in August and September 1990 under the supervision of the ICRC. It goes without saying that the Iranian infiltrators captured during the chapter of treachery and treason, which came on the heels of the U.S.-Atlantic-Zionist aggression, cannot be called POW's, particularly since they infiltrated into Iraqi territory from Iran and committed murder and acts of sabotage.

Concluding its commentary, the paper says: This gruesome and inhuman Iranian conduct toward the issue of Iraqi POW's is part of the overall hostile posture of this regime, due to its rancor and ambitions, toward Iraq and its steadfast and mujahid people. It is also related to the repeated Iranian attacks on Iraqi territory. Furthermore, this Iranian conduct is inextricably linked to the infamous role Iran played in the chapter of treachery and treason. This Iranian conduct actually shows that the political approach of the Tehran regime has not changed, nor is it likely to change in the future, despite the fact that Iran has paid an exorbitant price for this failed course—the course of aggression and expansion, of attempting to impose custodianship on others, and interfering in their domestic affairs.

Ships Stranded at al-Basrah Since Iran-Iraq War Towed

JN1408175993 Paris Radio Monte Carlo in Arabic 1720 GMT 14 Aug 93

[Text] Today, cargo ships which have been at the Iraqi Port of al-Basrah since the Iraq-Iran war began to be towed toward the United Arab Emirates across the Shatt al-'Arab strait.

A source close to the U.S. Navy in Dubayy noted that a few months ago, the Iraqis told the owners of these ships that they could restore them. This measure urged the U.S. naval forces in the Gulf to inspect all ships sailing from Shatt al-'Arab to ensure that the embargo imposed on Iraqi oil exports is not violated.

Iranian Attacks on Kurdistan 'Categorically' Rejected

JN1608153193 Baghdad Republic of Iraq Radio Network in Arabic 1400 GMT 16 Aug 93

[Text] Comrade 'Abd-al-Ghani 'Abd-al-Ghafur, member of the Iraq Command of the Arab Socialist Ba'th Party and secretary general of the National Progressive and Patriotic Front, has relayed the greetings and affection of leader President Saddam Husayn to the leaders of the Kurdistan Democratic Party and the Kurdistan Revolutionary Party on the 47th anniversaries of the two parties.

During visits to the premises of the two parties, comrade 'Abd-al-Ghafur said: The enforcement of the autonomy law for Iraqi Kurds remains a bright accomplishment in our struggle and our national history; it is the true embodiment of the compassion of leader President Saddam Husayn, who engineered autonomous rule for Iraqi Kurds.

The secretary general of the National Progressive and Patriotic Front said that the party and revolution leadership categorically rejects the suspect Iranian regime's attempts, or any other attempts, for that matter, to interfere in Iraq's domestic affairs through infiltration

operations or repeated attacks on our Kurdish sons in the Autonomous Region of Kurdistan under any pretext.

Ahmad Muhammad Sa'id al-Atrushi, secretary general of the Kurdistan Democratic Party, and Majid Rashid al-Zibari, secretary of the Kurdistan Revolutionary Party, said that the leaders, cadres, and masses of the two parties are proud of the matchless leadership of leader President Saddam Husayn. They also pledged their absolute faith in his wise leadership, which will foster the unity of Iraq and aid international struggle against colonialist and Zionist powers. They reaffirmed that the masses of the Kurdish people in the Autonomous Region of Kurdistan are proud of the great historic accomplishments scored by the glorious 17-30 July revolution and are aware of their responsibilities in the confrontation of agents and saboteurs, who are wreaking havoc in the Autonomous Region of Kurdistan.

Western Aircraft 'Violations' Protested to Arab League

JN1708123893 Baghdad Republic of Iraq Radio Network in Arabic 1030 GMT 17 Aug 93

[Text] Iraq has filed a protest with the Arab League over the continuing extension by Saudi Arabia and Kuwait of facilities to American, British, and French aircraft violating Iraqi airspace, noting the risk this entails to Iraq's security, sovereignty, and national unity.

Iraq's permanent delegate to the Arab League said in a letter sent yesterday to the League secretary general that on 12 and 13 August, 1993, the aircraft, taking off from bases in Saudi Arabia and Kuwait, mounted 105 hostile sorties.

Attached to the letter was a catalogue detailing these violations and a request that it be circulated among the League members.

Saddam Meets Officials of Ba'th Party Baghdad Branches

JN1708163893 Baghdad Republic of Iraq Radio Network in Arabic 1600 GMT 17 Aug 93

[Text] Leader President Saddam Husayn, may God watch over him, has met with the comrade secretaries and members of the Baghdad branches of the Arab Socialist Ba'th Party.

The meeting was attended by comrade Sa'di Mahdi Salih, member of the Iraq command of the Ba'th Party and the official in charge of the al-Karkh organizations, as well as 'Abd-al-Ghani 'Abd-al-Ghafur, member of the Iraq Command of the Ba'th Party and the official in charge of the al-Rusafah organizations.

Saddam Receives Thank-You Cable From King Husayn

JN1608095393 Baghdad INA in Arabic 0915 GMT 16 Aug 93

[Text] Baghdad, 16 Aug (INA)—President Saddam Husayn has received a thank-you cable from his brother, His Majesty King Husayn Bin-Talal of the Hashemite Kingdom of Jordan, in reply to the cable of congratulations his excellency had sent him earlier on his accession to the throne.

The cable says: I have received, with great thanks and gratitude, your excellency's cable on my accession to the throne, in which you express your best congratulations, wishes, and noble feelings.

I ask God Almighty to grant your excellency continued good health and the fraternal Iraqi people more progress and prosperity.

Defense Minister Visits Ninawa, Decorates Officers

JN1808084493 Baghdad Republic of Iraq Radio Network in Arabic 2000 GMT 17 Aug 93

[Text] His Excellency leader President Staff Field Marshal Saddam Husayn, commander in chief of the Armed Forces, today deputized fighter Staff General 'Ali Hasan al-Majid, member of the Revolution Command Council and minister of defense, to decorate a new group of active service and retired officers affiliated with the heroic 'Amuriyah Forces with medals of valor.

The defense minister also visited the offices of the Ninawa Governorate today. He met with Ninawa Governor 'Abd-al-Jawad Dhannun. The meeting was attended by fighter Staff General Iyad Futayyih Khalifah, chief of staff of the Army; several of his aides; and comrade secretaries of the Ninawa, Mosul, Dahuk, and Irbil Ba'th Party branches.

These officials briefed the minister on the cooperation and coordination existing among the administrative bodies of the governorate and the overall party organization to render the best possible services to citizens, the state, and the party, and thwart the scheming of agents, who are subservient to foreigners.

The defense minister praised the efforts of the governorate to oversee the contributions honorable citizens are making to ensure social solidarity and aid poor families in the circumstances of the continued embargo imposed on our steadfast people. He reaffirmed the necessity of the governorate's administrative bodies' continued cooperation with the comrades in the party branches in Ninawa and Mosul to promote security and render the best possible services to citizens.

Council of Ministers Holds Ordinary Weekly Session

JN1508133893 Baghdad INA in Arabic 1227 GMT 15 Aug 93

[Text] Baghdad, 15 Aug (INA)—The Council of Ministers held its ordinary weekly session today under the chairmanship of Prime Minister Muhammad Hamzah al-Zubaydi and in the presence of Deputy Prime Minister Tariq 'Aziz.

The council discussed the topics on its agenda, including organizational matters and services, and made the appropriate decisions and recommendations.

High Court Rescinds Decision To Free Demjanjuk

Initial Decision Unanimous

TA1808062993 Jerusalem Qol Yisra'el in Hebrew 0607 GMT 18 Aug 93

[Report by legal affairs correspondent Mira Amsalem from the Supreme Court building in Jerusalem—live]

[Text] The High Court of Justice has ruled that John Ivan Demjanjuk, a Nazi criminal, is to go free. The three judges unanimously ruled that they had no choice other than to reject all eight appeals submitted to the court against the deportation of John Ivan Demjanjuk. Therefore, he will be able to leave the country, apparently to the United States, with a stopover in France.

The judges noted that their decision had been unanimous, but each judge actually presented his personal opinion in the 40-page verdict, which we will review later. The judges disagreed on specific points, but their overriding conclusion was that John Ivan Demjanjuk must and can leave the country, apparently at a time of his choosing.

Court 'Withholding' Deportation Order

TA1808071293 Jerusalem Qol Yisra'el in Hebrew 0700 GMT 18 Aug 93

[Text] The High Court of Justice is withholding the deportation of John Demjanjuk. The petitioners want to appeal this morning's court ruling not to bring him to trial and demand another hearing by the High Court of Justice. Me'ir Shamgar, president of the Supreme Court, ordered the petitioners to submit their request to withhold the deportation at once. The request that the petitions be heard by a larger court panel will only be discussed afterward.

Our correspondent Mira Amsalem reports that the High Court of Justice earlier ruled unanimously not to bring Demjanjuk to trial and to allow his deportation.

Weizman, Gur on DPRK Missiles, Coordination With U.S.

TA1708181093 Jerusalem Qol Yisra'el in English 1700 GMT 17 Aug 93

[Text] President 'Ezer Weizman hopes it will be possible to halt the supply of North Korean missiles to Syria through diplomatic channels. Weizman says he takes a grave view of the missiles, but he does not think they will sabotage the peace process. The president also believes that a peace agreement with Syria should include a clause limiting the proliferation of missiles.

Deputy Defense Minister Mordekhay Gur says the U.S. has a much better chance than Israel to persuade Russia not to fly North Korean missiles to Iran. But, was Israel not giving up its freedom of action by agreeing to an American request to break off contacts with North Korea over the missile issue, our correspondent Jack Katzenell asked. The deputy defense minister says this is not the case.

[Begin recording] [Gur] Not at all. I believe that we have to find a way to keep our interests, as well as the American interests, because there are some issues in the world that the Americans have much more influence and capacity than we have. So, I believe that the coordination is necessary and logic and good.

[Katzenell] But, even by the prime minister's admission, even in the past few weeks Russia has delivered some of these missiles from North Korea to Iran. Would it not also be in the interest of the United States for Israel to try by whatever means it can, even by running some obsolete gold mine, to prevent these deliveries?

[Gur] Any idea is a good idea as long as it coordinates with the general policy. The general policy to keep good relationship with the United States is based on the assumption that towards some of our neighbors the Americans have real influence. No doubt, if anybody can influence the Russians, it is the Americans. So I believe that any coordination with them is good.

[Katzenell] The official text of the government decision hints that, in the future, Israel might change its mind, might decide to act independently. Do you have any idea under what circumstances that would be?

[Gur] No, I do not know. I hope that it will not occur. I hope that the Americans will be able to stop the deliveries of these weapons, but I believe that, as it was in the past, we keep our liberty of action to ourselves. But, as long as we believe that coordination can work better, we do it. [end recording]

Palestinian Demand for Allenby Bridge Rejected

TA1808101293 Tel Aviv HADASHOT in Hebrew 18 Aug 93 p 1

[Report by Amnon Barzilay]

[Text] The Palestinians want to take control of the Allenby Bridge, in addition to Jericho. This became apparent in recent Israel-initiated talks, which aimed to clarify the import of the "Gaza First Plus" notion.

"They can forget about it," Prime Minister Yitzhaq Rabin said in response to the news of the Palestinian demand. The clarification talks further revealed that the Palestinians demand control over greater Jericho, and not the city alone.

Rabin and Foreign Minister Shim'on Peres were unanimous in their rejection of the Palestinian request to assume control of the Allenby Bridge. Were the bridge to be handed over to the Palestinians, it would connect Jordan and the Palestinian entity even before a permanent arrangement agreement was signed. In addition, control over the bridge would enable the Palestinians to encourage the demand for the right of return.

Israel knew in advance that PLO leader Yasir 'Arafat would raise the Gaza and Jericho First concept, and it even approved it. The concept was discussed in secret talks between senior Israelis and 'Arafat confidants.

Meanwhile, Foreign Minister Shim'on Peres said yesterday in Stockholm that Israel is very close to an agreement with the Palestinians. "I feel peace is drawing near, and we are very close to an agreement," he told an audience at a Stockholm synagogue, his first stop in the Swedish capital.

Peres Leaves for Scandinavian Tour 17 Aug

TA1708130793 Jerusalem Qol Yisra'el in English 1000 GMT 17 Aug 93

[Excerpt] Foreign Minister Shim'on Peres left Israel this morning for an eight-day official visit to Scandinavia. The foreign minister's first stop is Sweden. He will also be visiting Norway, Iceland, and Finland. [passage omitted]

Ben-Eli'ezer, Rabin on Signs of Progress in Talks

TA1708173193 Jerusalem Qol Yisra'el in Hebrew 1605 GMT 17 Aug 93

[Excerpt] Construction and Housing Minister Binyamin Ben- Eli'ezer is certain that if worse comes to worst [SHAS—Torah Observing Sephardim—quits the coalition], the government would still have a majority in the Knesset. Regarding the peace process, he said today that the government has new indications that progress can be made with the Syrians. Minister Ben-Eli'ezer attended a convention of mayors of northern development towns, and our correspondent Yo'av Aviv met him there.

[Begin recording] [Aviv] The minister would not elaborate on the new information that the government has. Neither would he risk saying when, if at all, a meeting will be held between Prime Minister Rabin and Syrian President al-Asad. Reacting, however, to Likud Chairman Binyamin Netanyahu's call on Rabin to resign in view of the situation with the Syrians, Ben-Eli'ezer said:

[Ben-Eli'ezer] I am sorry for Mr. Netanyahu. He feels that the political process is about to take off in a direction from which, I hope, there is no going back. Hence, what he says is unimportant. What is important is that this government is determined to lead the peace process. I believe that we have had some fairly good signs from Syria, which could promise an interesting start. [passage omitted] [end recording]

[Jerusalem Qol Yisra'el in Hebrew at 1500 GMT on 17 August adds that, speaking today before the Labor Knesset faction, "Prime Minister Yitzhaq Rabin said that new possibilities have emerged on the Palestinian and Syrian tracks, but their materialization is linked with the current government's ability to conduct negotiations."]

Ministers on Consequences of SHAS Withdrawal

TA1708130593 Tel Aviv HA'ARETZ in Hebrew 17 Aug 93 pp A1, A8

[Report by Hemi Shalev, Gid'on Alon, and Shahar Ilan]

[Text] Most ministers believe that SHAS [Torah Observing Sephardim] will bolt from the government soon and that the government is therefore doomed. The ministers greatly fear that this will seriously harm the peace process.

The pessimistic mood among the ministers and their aides deepened yesterday as a result of the almost universal assessment that Deputy Religious Affairs Minister Refa'el Pinhasi and, later, Interior Minister Arye Der'i will have to resign in the wake of the attorney general's firm position on this issue. The ministers have different assessments regarding the timing of the SHAS withdrawal from the government—the assessments fluctuate from two or three days to several weeks. All of them believe, however, that there is no way to keep SHAS in the coalition.

One of the ministers, referring to the possible repercussions of the crisis on the political process, said yesterday that "this is a real tragedy." The minister said that the Arab states—mainly Syrian President al-Asad—will not agree to advance the peace process until the political picture in Israel clears up.

It should be noted that despite their bleak assessments, the ministers refused to comment on this issue publicly, fearing that this would only exacerbate the situation. The political community has already started speculating on the various scenarios following the SHAS withdrawal. The prevailing assessment is that attempts will be made to bring Agudat Yisra'el [the main component of United Torah Jewry] into the coalition. The general assessment is, however, that this attempt will fail due to the fact that Shulamit Aloni is serving in the government.

Foreign Minister Shim'on Peres yesterday held another secret meeting with Agudat Yisra'el Knesset Member [MK] Avraham Shapira in which they discussed the possibility of Agudat Yisra'el joining the coalition. A senior Labor minister yesterday said that if SHAS bolts from the government, Rabin would prefer to go to the president and try to form a new government. The minister did not rule out the possibility that the new government will be based on the same membership as the present government, and that a reshuffling of portfolios could bring SHAS back into the coalition.

Despite the general pessimism, some ministers believe that SHAS will remain in the coalition even after Der'i's and Pinhasi's resignation, and that SHAS's present threats are aimed at pressuring Rabin and the Knesset, which is due to decide on the question of Der'i's immunity.

Establishment of National Security Council Urged

TA1708192293 Tel Aviv HADASHOT in Hebrew
16 Aug 93 p 42

[Article by David Arbel, "who held a senior post in the intelligence community": "An Intelligence Forewarning"]

[Text] In an address Prime Minister Yitzhaq Rabin made last week, he referred to a new global reality. He pointed to the need to change thinking patterns, to formulate new definitions, and adopt different concepts. "We have to open up, hold dialogues, participate, and make peace," he said.

To implement this attitude, a total change will have to be made in the structure and function of Israel's intelligence agencies. This will be one of the prime minister's future tests. In Israel, there are three main intelligence bodies—the Army's Intelligence Branch [IB], the Mosad, and the Shin Bet [SB]—each having defined areas of responsibility. There is reasonable cooperation between the three, but there are also several prominent flaws.

For example, there is an overlap in handling of terror activity. The SB is responsible for providing operational and research answers to the issue of domestic terror. The IB is in charge of terror across the border; and the Mosad is in charge of terror abroad. Who, then, is in charge of dealing with a terrorists who comes out of Lebanon, operates in Europe, and from there is sent to the territories. Should the establishment of a single authority for this matter not be examined?

Responsibility over several areas of intelligence gathering has also not been clearly assigned, which causes duplication and a waste of resources. Another highly important issue is responsibility over national evaluations. At the time, the Agranat Committee [which investigated the Yom Kippur War] recommended that parallel research and evaluation systems be established in the IB, the Mosad, and the Foreign Ministry. The recommendation was only partly implemented, and the IB has remained the leading national evaluator. Is it desirable that the Army be the body presenting the state leaders with the national evaluation—the threats, risks, and chances Israel is facing—which determines, among other things, the resources allocated to the IDF [Israel Defense Forces]?

In Israel 1993, all the intelligence agencies are under the ministerial responsibility of a single person. The Mosad and the SB are subject to the prime minister, the IB is under the defense minister; all three are under Yitzhaq Rabin. The IB head is subject to the chief of staff, and the his work seems reasonably supervised. The heads of the Mosad and the SB, however, report directly and exclusively to Rabin, who is busy with central issues. There is doubt whether he is able to properly supervise the operations of the intelligence arms, and take the time to examine the moods there.

There is also the problem of senior appointments. An appointment of a senior IDF officer, a major general for example, is approved by the defense minister after a process of examination and sorting out. The heads of the SB and Mosad branches are appointed by an exclusive decision by the heads of these organizations. This is not healthy.

Another matter that has not been settled yet is the duration of the term in office of the heads of intelligence arms. In the IDF, the IB head serves three years in a post that is usually a stage in his military career. The appointments of the heads of the SB and the Mosad have no defined time span, and for them it is the end of the road in their service in the organization. Some of them are interested in extending their terms. Is this situation desirable?

The above questions call for an examination and must be answered. Some can be answered by a national security council, when it is established. Committees that deal with the issue and the Knesset have recommended that it be set up. So far, however, it has not. Among other things, this is due to the opposition of the heads of the intelligence community who fear for their status and authority.

A national security council is vitally needed. It will handle the allocation of resources to the three intelligence bodies, more efficiently coordinate between them, determine their intelligence gathering priorities, and supervise their operations. Also, it will be in charge of national evaluation. In this last capacity, it will help the prime minister and his cabinet to better prepare for Israel's incorporation in the processes and changes taking place in the world and in our region.

New Golan Settlement To Be Announced

TA1808075793 Tel Aviv HA'ARETZ in Hebrew
18 Aug 93 p A1

[Report by correspondent in the north Menahem Horowitz]

[Text] Within the next few days, heads of settlements in the Golan Heights will presumably announce the establishment of a new settlement. Its first houses have already been erected in the vicinity of Moshav Sha'al in the central part of the Golan Heights. The government has not approved the establishment of this new location, which actually involves the declaration of a work camp as a new settlement.

Seven trailers have already been placed in the new settlement, and a tractor has been preparing the ground nearby to enable the placement of additional trailers. Dozens of placards bearing the slogan "We Will Not Move From the Golan" and quoting Rabin's remarks that anybody abandoning the Golan harms state security have been posted on the site. The area of the new settlement belongs to Moshav Sha'al, situated not far from the West junction in the northern part of the Golan Heights.

Eli Malka, head of the Golan Settlements Committee, argues that this is a camp for laborers coming to the area to work in the harvest, but a brief tour of the site shows this is not the case. Another leading settler recalled that Kibbutz Merom Hagolan nearby also began as a work camp.

It has been learned from Golan settlement leaders that the new settlement, named Dor Hagolan, will be officially declared within the next few days. The leaders are divided over the question of when to invite the press and public figures to witness the creation of the new settlement.

The inhabitants of the new settlement consist of youngsters from the Golan and the Galilee Panhandle who have long sought to settle in the area. The government has not approved the establishment of any new settlements since the negotiations with Syria began. Today there are 32 settlements on the Golan Heights. Had-Nes was founded in November 1989, Qela'-Golan was resettled in November 1991, and Kanaf was established shortly before that. These are, in fact, the last three settlements established in the Golan Heights.

Amendment to Election Law Wins Expected Approval

King's Speech Announces Ratification

JN1708184393 Amman Jordan Television Network in Arabic 1702 GMT 17 Aug 93

[Speech by King Husayn in Amman on 17 August; video shows King Husayn seated at a table flanked by the royal colors and the Jordanian flag—recorded]

[Text] In the name of God, the merciful, the compassionate. God's peace and prayer be upon our lord, Muhammad, the honest Arab, Hashemite prophet.

Brother citizens: I begin by saying God's peace be upon you and by extending my sincerest greetings to all of you—old, youth, women, men, and children. We are making serious efforts and struggling for all of you and for future generations, motivated by our sense of duty and fear of God. We seek to please God and satisfy our conscience, until we meet our God, bearing our account of deeds in our right hand and walking along with honest, righteous people, and not with hypocrites who suppress justice and are afraid to speak out against falsehood.

My kinsmen, sons, daughters, brothers: I greet you wherever you are—in cities, villages, bedouin regions, lofty mountains, al-Karamah Valley, and the precious Port of al-'Aqabah. I greet the personnel of the Arab Jordanian Army and our valiant Royal Jordanian Armed Forces, which is holding its ground on this holy land decorated with the relics of our predecessors and the shrines of the righteous companions of Prophet Muhammad. I greet you wherever you are in this world, keeping peace and respecting the goal of preserving humanity and saving it from tyranny, vindictiveness, and darkness, along with all honorable people who are struggling, as you struggle, to lift injustice over the weak, end the hunger of the poor, and remove tyranny over the free.

I greet you, sons and daughters of Jordan who are sitting in your classrooms or elsewhere, while bracing for life's challenges and making ready to promote Jordan's status. I am proud of you and proud of belonging to you, as a Hashemite, Arab, and Jordanian. God has willed that I live among you and accompany you in the journey of life for over 40 years, through thick and thin. We are in the trench which keeps the coveters and spiteful away from our nation. We are still at the heart of our nation.

In the most dangerous positions and under the most crucial conditions, Jordan has remained like a precious stone, growing more lustrous and brillant the more it is polished by events. Today, Jordan is inheriting the best of the nation's character in terms of chivalry, resolve, freedom, credibility, and martyrdom.

From this premise, I appeal to each of you to care for this torch, so its flame will not be extinguished. I place on all of you—including myself—a great national, pan-Arab, and historic responsibility. The success or failure of our march will have effects and repercussions. This makes each of you bound by duty to be aware of these repercussions and to appreciate their dimensions.

This homeland offers a good model. All of its sons and daughters, of various origins and lineages, converge to support its honorable march to promote the Jordanian citizen, safeguard his human nature, and champion his right to life, freedom, and justice. This march aims to organize the citizen's life and sacrifices according to consistent bases, in terms of respecting and preserving the homeland's Constitution, following the landmarks of the road implied in your National Charter—landmarks we drew and blessed—in terms of democracy, or Islamic shura—whatever you may call it. This is designed to proceed toward political pluralism. We have begun to move toward its realization.

Time must pass until the ranks close behind two, three or four political groupings that possess thoughtful and convincing platforms, through which they will support the homeland's march under the Constitution and on the path of implementing the articles of the National Charter. Moreover, the homeland's sons will be organized under these articles and will compete with one another for the homeland's good and glory, exactly as I wished when I talked to you at the large national conference that endorsed the National Charter. At that time, I told you that the presence of too many parties will impede their activity.

Dear brothers: We have lived the past four years with their many positive aspects and negative aspects, in a process of development toward the better. We are now at the threshold of new general elections for a new House of Representatives. We hope it will assume its responsibilities under crucial and serious regional and world circumstances, so it will later hand these responsibilities to those who will assume the consequences and responsibilities of the next phase.

Thus, each stage is certainly a new building on solid ground for a lofty edifice that is being crystallized with God's care, thanks to your awareness of and concern about what is good for you and future generations. This is also due to your cohesion, perpetual sacrifice, honesty, sincere patriotism, and ardent zeal. Failure, God forbid, means not only the collapse of all our hopes, but will also expose this patient Arab homeland to extinction and termination. It means the success of the enemies of life and right. It means Jordan, God forbid, has disappointed the Arab individual throughout the greater Arab homeland. It simply means that it cannot offer an example or an option to the nation that looks forward to seeing something that can steady it after it has stumbled, something that can renew its capability and energies on the only path it can follow peacefully, if it is able to prove that it is actually alive before it explodes, fragments, and disappears.

This is the scope of the challenge facing us. Now, I address each male and female voter. The Constitution made you all equal in rights and duties. The recent House of Representatives, whose efforts are appreciated, had assumed responsibility under a provisional law. In my message in which I accepted the resignation of the first government that dealt with it, I noted that the matter required all of us to carefully consider the Election Law in order to study and correct it—by dealing with a loophole here and closing another there—so we can allow the voter, whether a man or a woman, to elect one candidate who, due to his position, interpretation, and option, is the best to represent him and express his opinion and thought.

As it is known, the Constitution refers to the equality of all citizens in rights and duties. When we referred to that provisional law, under which the recent elections were held, we knew that the problem required a remedy while we moved toward the better. A fault cannot be remedied by ignoring it when its meaning and implications become clear to the one who swore 40 years ago to respect the Constitution and serve the nation.

Therefore, we have endorsed a new, provisional law amending the Election Law that was submitted by my government, which is charged with holding free and fair elections in this country, under my supervision, overview, and guidance.

I have the honor to shoulder my constitutional responsibilities to the three branches of government: the legislative, the executive, and the judiciary. The law will give the voter the right to cast one vote to elect one candidate for the new parliament.

I have taken into account that the amendment to the Election Law at this critical phase should be limited only to this dimension, only because I believe that any other amendment, such as moving toward linking and equating the number of voters in a certain constituency to the number of voters in another constituency, would mean depriving large parts of the homeland of their right to have an effective parliamentary representation. This representation can help improve their condition by providing care and services and help to achieve complete equality in Jordan's comprehensive development.

Additionally, the political turmoil in the region is not over yet. It has not taken a final shape that will negatively or positively affect Jordan and its citizens, who come from various origins. Consequently, the constituencies will remain unchanged in the forthcoming parliamentary elections.

I would like to affirm here, as a father and brother of every citizen, that neither I nor my government support one side against another. I appeal to everyone to realize that Husayn, the Hashemite Arab whom God has honored by making me belong to the house of the Messenger of God, Muhammad Ibn-'Abdallah, may God's blessings be upon him—an honor that is above all offices and worldly titles—is eager to preserve the unity of the homeland and to protect its children to the utmost.

Some have chosen to belong to a front which they called the Islamic Front. What I wish from them and what I wish for them is that they would really exercise their historical responsibilities and endeavor to always rise to the level of the name which they have chosen and to proceed, with God's help, toward genuine Islam. This would be in fulfillment of their religious and worldly duty to present the tolerant religion and faith and defend the dearest thing that binds us together in the face of attempts at distortion and slander inside and outside the Islamic nation. They can do so by having a progressive, not backward, view of Islam, and by employing it as the means to bring glory to the noblest nation the world has ever seen and to confirm the fact that Islam is the true religion of all virtuous, good people who believe in God, the asset of His followers, and the reason for their existence at every time and place.

I call on my brothers to appreciate the meaning of the success or failure that awaits our march and that affects the future of our nation and the human being God almighty has honored. I urge them to be sincere and faithful, as participants in writing the National Charter and initiating the national march, side by side with all citizens, Muslims and Christians alike.

O free Jordanians, while addressing you, members of the Jordanian family and every man and woman voter, I want to say it is time for you to realize I am working with you and for you. Do not disappoint yourselves or me. Prove that, along with us, you also realize your responsibilities, not only to yourselves but to Jordan, your nation, future, and destiny. Consider and study your duty, in order to bring the best people from all parts of the homeland to the new House of Representatives.

I hope God will grant you success in choosing for this new parliament, after thorough and objective review and examination, those among you who are known for their honesty, integrity, and pure loyalty to God and the homeland.

Do not be misled by rigid symbols that cannot contribute to or enrich the homeland's march. Elect to this new parliament representatives who reflect your true selves, as I have known you in terms of your honesty, sincerity, goodwill, and ability to excel and contribute to development, so they can be qualified to undertake the responsibility of representing you in the future with awareness, courage, and concern for your interests and those of generations to come.

Dear brothers, kinsmen, and tribe: We have launched the march of this homeland in a spirit of tolerance and shura. We are still proceeding along the same path. Democracy in Jordan is now a model, an example, and a blessed tree rooted deeply in this beloved Arab bulwark. This tree's branches reach the horizons of the greater Arab nation.

So, let us all advance and undertake the trust of responsibility, and come to the nation with the great call of freedom, unity, and human rights. Let each of us be responsible for protecting this march from the danger of the covetous, the frightened, and the hypocrites. We are at the threshold of two great projects. The first is completing the edifice of unionist and democratic Arab Jordan. The second is rebuilding the pan-Arab project—the Great Arab Revolt project on new formulas and a modern appeal.

Exercise your electoral right. I will try my best to make the elections ideal in terms of fairness, and to make them an example of the confidence that connects us. We have confidence in the inevitable triumph of right and the emergence of our nation's new dawn, which we are working hard to accelerate. This is because we are aware of our historic responsibilities. We are eager to carry out the duty in this homeland, which becomes greater through challenge. The people of this homeland do not bow to anyone except God. These are the people who will prove, with almighty God's help, that they are strong in the face of the enemies fighting democracy in its own name. These are the enemies who insist, although they are a minority, on destroying life. In their silliness, and by attempting to cast doubt about the march, they insist on distorting facts and destroying the building. They act based on their negative positions on everything and their gloomy outlook and vision. As a result, they have turned themselves into advocates of despair and tools of frustration. Prove to them that you are the strongest by right, so you may support right, man's dignity, and the coming generations.

March at the blessings of almighty God, who says in his book: It is part of the mercy of God that thou dost deal gently with them. Were thou severe or harsh-hearted, they would have broken away from about thee, so pass over their faults and ask for God's forgiveness for them; and consult them in affairs of moment. Then when thou hast taken a decision, put thy trust in God, for God loves those who put their trust in Him. [Koranic verse]

May God grant you success, as he is the best supporter. God's peace and mercy be upon you.

Text of Amendment Broadcast

JN1708192993 Amman Jordan Television Network in Arabic 1730 GMT 17 Aug 93

[Text] A royal decree has been issued approving a provisional law amending the Election Law to the House of Representatives No. 22 for the year 1986. The decree provides for the provisional implementation of this law and adding it to the State's laws pending its discussion by Parliament in its first session.

The following is the text of the royal decree:

We, Husayn I, King of the Hashemite Kingdom of Jordan, in accordance with paragraph 1 of Article 94 of the Constitution and based on the Council of Minister's decision made on 17 August 1993, approve, in accordance with Article 31 of the Constitution, the following provisional law and we order its issuance, provisional implementation, and addition to the State laws pending its discussion by Parliament in its first session.

Provisional law for the year 1993, an amendment to the Election Law to the House of Representatives.

Article 1. This law shall be called an amendment to the Election Law to the House of Representatives for the year 1993 and is read with the Law No. 22 for the year 1986, hereunder called the original law, and the amendments introduced to it, as one law and shall be valid as of its publication in the official gazette.

Article 2. Paragraph B of Article 64 of the original law will be canceled and will be replaced with the following:

The voter must write the name of the candidate which he wishes to elect on the ballot paper which he receives from the chief of the ballot panel and return to the ballot box to insert the paper into it. If the voter is illiterate, he has the right to ask the chief of the panel to write for him the name of the candidate which he wishes to elect, provided the chief of the panel reads the name to him within the earshot of the panel of the ballot and hands him the paper to insert it into the box.

Article 3. Article 52 of the original law is canceled and is replaced by the following:

A. If the ballot paper contains more than one name of the candidates, only the first name will be considered and the other names will be canceled.

B. If the name of the candidate in the ballot paper is not clear and if the paper contains enough related material which is sufficient to identify him and prevent any confusion, the name will be regarded as that of the candidate.

Article 4. Any provisions contrary to the provisions of this law will be canceled wherever they appear in the original law or in any law issued in accordance with the original law.

Changes to Election Law Detailed

JN1808095593 Amman JORDAN TIMES in English 18 Aug 93 pp 1, 5

[By JORDAN TIMES staff reporter Ayman al-Safadi]

[Text] Amman—The introduction of the one-person one-vote formula into the electoral system is the only change that the draft temporary Election Law approved by His Majesty King Husayn Tuesday [17 August] brought to the election process.

The draft provisional legislation, which will go into effect upon publication in the official gazette, amended Item B of Article 46 and Article 52 of the Election Law to say that voters have the right to choose one candidate

only. The two articles had originally given voters the right to elect more than one candidate.

Before amendment, Item B of Article 46 of the Election Law read: "The voter has to write the names of candidate that (he or she) wishes to elect on the ballot." In the draft temporary legislation it asks the voter to write the "name of the candidate" that he or she wants to elect on the ballot.

Article 52 had read: "If a ballot included the names of more candidates than the number of deputies that should be elected the additional names will be deleted." It said that if any of "the names of candidates were not (written) clearly but there were sufficient pointers to the name of the candidates elected, these names will be counted." The new article replaces "names" and "candidates" with "name" and "candidate."

The new electoral system is expected to work against large and well-organised political groups which benefited from the old bloc voting system through alliances involving mutual support with independent candidates.

And since the Islamic Action Front (IAF) is by far the most organised political party in the country, observers say it was the big winner under the old electoral system and would be the big loser under the new one.

"It is only a matter of time before political parties are organised into one, two three or four parties encompassing well-studied and convincing programme...so that Jordanians can move rapidly towards the well-being of their nation," King Husayn said in a televised speech Tuesday.

The IAF, by virtue of its high organisational structure, had an edge over other newly licensed political groups. The one person, one vote system denies the front one of the major mechanisms through which it tapped its ability to organise its supporters and election strategy.

The front, which fiercely opposed the expected change before it was announced, has felt targeted by the change, which it had earlier said would be tailored to weaken its performance in the elections for the 12th Parliament on Nov. 8.

In the 1989 elections, the Muslim Brotherhood, which will contest the next elections on the IAF ticket, won 23 seats in the 80-member Lower House of Parliament. Observers say the number was disproportional to the actual support the movement had among the electorate, attributing its success to the electoral system.

By denying the Islamists the opportunity of joining forces with other candidates, observers believe the one-person, one-vote system would cut the parliamentary representation of the IAF to a level more representative of their support base.

Along with other political parties the IAF agreed with the government that there were many flaws in the 1986 Election Law, which was amended through temporary laws, but demanded that the changes be comprehensive.

Even proponents of change had said the one-person, one-vote formula should not be introduced without restructuring voting districts towards equal representation for equal number of people in each district.

The country is currently divided into 20 voting districts for which different numbers of parliamentary seats are allocated. The precincts are drawn along with administrative divisions of the country.

The introduction of the one-person-vote system to an election law which allocated more than one candidate to an election law which allocated more than one candidate to each voting district could lead to huge discrepancies in the number of votes that could carry each candidate to the House, observers say.

They also say that deputies elected under such a system would end up representing the people who elected them in the precinct and not all its residents.

But citing the necessity of ensuring parliamentary representation for under-populated areas of the Kingdom and uncertainly about the outcome of a regional political process that "could positively or negatively affect Jordan and its people (who come from) different origins," the King said the voting districts would remain unchanged for this election.

Minister of Interior Salamah Hammad last week ruled out the redrawing of voting districts on the grounds that the process would have required a new registration of voters. That was "behind us," he said.

King Husayn emphasised in his speech that the changes were introduced to strengthen the democratisation process and ensure citizens the equality that the Constitution grants them in rights and duties. He recalled that he had pointed to the need of changing the Election Law in 1991.

"We (have) realised that the problem (in the Election Law) needed to be addressed. And we are moving towards what is better," the King said. A mistake cannot be treated by ignoring it, he said. And hence was his decision to change the Election Law.

Introduction of Amendment Viewed

JN1808104593 Amman JORDAN TIMES in English 18 Aug p 4

[Editorial: "New Law, and After It"]

[Text] The expected happened yesterday when His Majesty King Husayn announced the ratification of a new temporary law introducing the one-person, one-vote system in the electoral process. The whole country had been preparing for the news ever since the dissolution of Parliament, even before, although many had hoped the change would and not be made, at least in this way. In his

speech, the King did give forceful and persuasive reasons for introducing the new formula to govern the Nov. 8 elections. But while we both appreciate and support the strong argument in its favour we, like many others, would have liked to see the change take place in a different manner and may be even in a different scope altogether. To eliminate one feature of inequality in voting rights, only to leave others in place, is controversial at best, especially since the proposal for change was in itself originally divisive.

Still, we live in a democratic atmosphere that allows for those who oppose the change in the law to contest it in court on strictly legal grounds. The government thought that it had the authority to change a part or the whole of the current law in the manner that it did. On political grounds, however, it knew the decision was going to face strong opposition, and nevertheless took it.

When 16 registered political parties voice their objection to amending a basic law of the country in the absence of parliamentary life, there is a reason to believe that the next general elections will be held in rough political waters. But the Islamic Action Front (IAF), which is the biggest and most organised party in the country, will no doubt carefully read the King's message, especially since the King chose to specifically address them in his speech last night. The front's leaders will no doubt notice the King's call on them to fight the next elections in the true and tolerant spirit of Islam, a call that should place them under new pressure not to boycott the elections. This is exactly what should happen, for boycott and estrangement from the country's mainstream political body can only weaken them and the country as a whole. What all political parties and groups should do is strive to avoid internal political crisis that might lead to a real setback for the democratisation process.

There were signs last night that Islamist leaders were reading in the King's address the sort of message that they need in order to elevate themselves and their people above petty politics.

If this is indeed an accurate reading of their intentions, then every effort should be made to bring in the others towards common understanding of what is happening.

The government in particular should attempt to regain the initiative and impress upon its opponents and everybody concerned the need to work together, for the benefit of all and for the sake of democracy. The dialogue that was promised but never finished can be restarted and deepened to ensure that the elections will be free, fair and effective.

Speaker Birri Comments on Outcome of Damascus Meeting

NC1808103293 (Clandestine) Radio Free Lebanon in Arabic 0845 GMT 18 Aug 93

[Text] Chamber of Deputies Speaker Nabih Birri today said that Syria is as concerned about Lebanon as the latter is concerned about Syria and about their common interests. He said that Syrian President Hafiz al-Asad is very concerned about Lebanon and the south. At a news conference at the Chamber of Deputies, he said that al-Asad has said that if Israel wants to destroy, Syria wants to rebuild. He noted that Syria was the first country to support and continues to support the Lebanese Army. He noted that when a decision was made to deploy the Army in the south in 1991 and did not have logistical equipment, Syria offered the equipment. Syria, he said, backs Lebanon in its call for implementing Security Council Resolution 425.

Birri said that the most important thing we got from our meetings in Damascus was solidarity. He noted that certain false reports about the Syrian-Lebanese summit were motivated by evil purposes. He pointed out that the Lebanese Army does not need a testimonial from anyone. He pointed out that the resistance is a resistance of people and no one considers curtailing it. He reasserted that the Army is a symbol of resistance, but resistance is not a symbol of security, saying that President al-Asad personally is concerned about this.

Birri said that invitations have been extended to convene a conference of parliamentarians of Lebanese descent in Beirut on 21 and 22 in November to mark the golden jubilee of Lebanon's independence.

Deputy Premier al-Murr Leaves for Damascus

NC1808072793 Beirut Voice of Lebanon in Arabic 0315 GMT 18 Aug 93

[Text] Deputy Prime Minister Michel al-Murr left for Damascus last night following meetings he held during the day with President Ilyas al-Hirawi and Prime Minister Rafiq al-Hariri. He will convey the names of a number of people nominated for the post of secretary general of the Lebanese-Syrian Higher Council.

Resistance Claims Anti-Israeli Operation

NC1708201093 Beirut Radio Lebanon in Arabic 1530 GMT 17 Aug 93

[Text] The faithful Resistance has claimed responsibility for an operation against a troop carrier belonging to the occupation forces along the al-Rayhan-Sujud road. All six elements riding in the carrier were either killed or wounded.

We have just learned that the hills of Iqlim al-Tuffah came under a number of shells and that the sound of an explosion was heard near an Israeli position on the 'Ali al-Tahir hill.

Bomb Detonates Near al-Jamus; No Damage

NC1808095893 (Clandestine) Voice of the South in Arabic to Lebanon 0930 GMT 18 Aug 93

[Text] Our military correspondent reports that an explosive device operated by remote-control went off on the road leading to the al-Jamus center of the South Lebanese Army this morning, causing no damage. An army unit subsequently combed the area for terrorists which could still be in the area of the explosion.

Paper Views Upcoming Beirut Coordination Meeting

JN1808093893 Damascus Syrian Arab Republic Radio Network in Arabic 0445 GMT 18 Aug 93

[From the press review]

[Text] The newspaper AL-BA'TH comments on the Beirut coordination meeting, and the need for a comprehensive solution on all fronts, saying: The foreign ministers of the Arab sides concerned with the peace process are due to hold a coordination meeting in Beirut on the eve of the 11th round of the Washington bilateral talks. This meeting will be part of the constant coordination and consultations among the Arab sides engaged in the peace process, which are waging a peace battle, armed with adherence to international legitimacy and principled constants that neither contravene UN resolutions, nor abandon Arab rights. The most important trait marking Arab coordination meetings, regardless of whether they are held by foreign ministers or by the delegations taking part in the peace talks, is an eagerness to deny Israeli negotiators the smallest opportunity to breach Arab ranks or create loopholes that could bring about separate solutions.

AL-BA'TH adds: The cohesive Arab stand and constant coordination among the Arab sides concerned with the peace process have thwarted all Israeli wagers, including the game of alleging that there has been progress on this or that track.

Concluding its commentary, AL-BA'TH says: The peace process must be comprehensive. Any flaw will render the process incapable of producing a comprehensive and just peace. A flawed peace process will, indeed, torpedo the very foundations of peace. Hence, the upcoming Beirut coordination meeting will reaffirm that it is impossible for Israeli negotiators to breach Arab ranks, that Israeli withdrawal from all occupied Arab territories is both an Arab and an international demand, and that such withdrawal will pave the way for a just and comprehensive peace.

Al-Asad-al-Hirawi Meeting Shows 'Eternal Fraternity'

JN1708144093 Damascus Syrian Arab Republic Radio Network in Arabic 1135 GMT 17 Aug 93

[Station commentary]

[Text] Gentlemen: All political observers and circles have paid attention to the summit of Presidents Hafiz al-Asad and Ilyas al-Hirawi. This is because the summit raised hot issues, led by the peace process, the enhancement of Syrian-Lebanese cohesion, and the existing close cooperation between the two fraternal countries.

This summit was held in the wake of the sinful Israeli aggression that inflicted widespread destruction on southern Lebanese cities and towns. It followed U.S. Secretary Christopher's tour, during which he personally sensed the unity of fate between Syria and Lebanon—each bomb striking a house in southern Lebanon brought a wound in the chest of every Syrian citizen.

Syria strongly and persistently asked the U.S. Administration to work to end the Israeli aggression, so the peace process would not be victimized by the aggression. Syria did so stemming from the fact that whatever affects Lebanon also affects Syria. Both countries ultimately share the same fate. There are limits beyond which Israel should not pass.

This firm and wise Syrian position was consolidated by the national unity, the readiness for sacrifice, and the rejection of the Israeli terms that were shown by the Lebanese people.

All this opened the way for the Arab foreign ministers' meeting in Damascus, for the outbreak of pan-Arab solidarity, for the quick and vehement Arab condemnation of the Israeli aggression, and for Arab readiness to help the victims of the savage Israeli bombardment.

Following his talks with President Hafiz al-Asad, U.S. Secretary Christopher said it would be possible to rescue the peace process and bring it back to its proper course. Christopher was referring to Syria's earnest response to the peace efforts. This response requires that the United States be up to the level of the challenges, of the cause of peace, and of the aspirations of its own peace initiative.

Henceforth, it will be inconceivable that the work for peace is carried out by one side, and that Israel replies to the sincere Arab efforts with aircraft, guns, and the acts of destruction, sabotage, and expulsion.

The United States has really committed itself to an active role, inviting the parties to the 11th round, and showing much readiness to intervene in order to promote the cause of peace. The Israeli rulers, however, so far have not publicly and decisively pledged to withdraw from the occupied territories in return for peace. The Israeli statements on withdrawal are remarkably and deliberately ambiguous. They even cast doubt on the possibility of achieving a breakthrough in the proposed forthcoming round, thus demonstrating, in advance, the negative Israeli position on this round.

The summit of Presidents al-Asad and al-Hirawi must reflect itself in the form of solidification of the general Arab position, adherence to the territories and rights, and rejection of any sellout. The Arabs, who are offering peace, are proposing something mankind has been seeking for many years. By demanding that their territories be regained, the Arabs only demand that their rights are recognized and the erroneous occupation terminated.

All Security Council and UN resolutions stipulate that Israel should withdraw from the occupied territories. Therefore, such withdrawal cannot be considered an Israeli concession. This is because Israel will not abandon its own territories but will be complying with the international community's will when it withdraws from the occupied territories.

By offering a just and comprehensive peace, the Arabs provide the region and the world with new horizons of stability, security, and serenity. We do not believe the international community, led by the United States, will again allow Israel to tamper with the destinies of the Middle East and the world by fanning war instead of complying with the cause of a just and firm peace, instead of working for the success of the proposed 11th round at the end of this month.

The Syrian-Lebanese fraternity, baptized with blood throughout past years, will not be damaged by ordeals. This is because Syria is for Lebanon and Lebanon is for Syria. Both Syria and Lebanon are for the Arabs. Syria's contribution to the reconstruction of southern Lebanon and repairing what was destroyed by the Israeli aggression are only a symbolic expression of this eternal fraternity.

Qaddurah Confers With APU Secretary General

JN1708164493 Damascus Syrian Arab Republic Radio Network in Arabic 1115 GMT 17 Aug 93

[Text] At noon today, 'Abd-al-Qadir Qaddurah, president of the Arab Parliamentary Union [APU] Council and speaker of the [Syrian] People's Assembly, received 'Abd-al-Rahman Burawi, APU secretary general.

Talks dealt with APU activity and work, particularly the visit by an APU delegation, led by Qaddurah, to Cairo for talks with the fraternal Egyptian parliamentary section as part of consultations held between the APU presidency and the Arab member parliamentary councils.

The two sides discussed arrangements to participate in the 90th conference of the Inter-Parliamentary Union, which will be held in Canberra, Australia, in September. They discussed contacts held to support the additional topic on the conference agenda. The Syrian parliamentary section proposed this topic.

The two sides also reviewed the Arab parliamentary sections' contributions to the APU budget for 1993.

Council of Ministers Discusses Electricity Production

JN1708164793 Damascus Syrian Arab Republic Radio Network in Arabic 1515 GMT 17 Aug 93

[Text] The Council of Ministers held a meeting under Prime Minister Mahmud al-Zu'bi at 1200 today. It reviewed the work of the services, economic, and cultural committees.

The Council discussed the general electricity situation and the measures taken to promote this situation and provide the electric energy necessary for meeting the needs of domestic, industrial, and agricultural consumption. It stressed the importance of these measures in tackling the general electricity situation, which will remarkably and gradually improve in the next phase.

The Council stressed the importance the state places on the electricity sector, whether through work to optimally invest available electric energy or by speeding up work in current projects and concluding contracts on new projects, which will meet our needs of electric energy.

The Council discussed increasing development needs and the ways to tackle them based on self-sufficiency. It stressed the need to enhance the contributions of the private and joint sectors to the process of comprehensive, continuous, and balanced development, and the need to meet the basic requirements of the homeland and citizens. The Council studied the topics on its agenda, making the appropriate decisions.

Afghanistan

Hekmatyar Announces October General Elections

LD1708180693 Kabul Radio Afghanistan Network in Pashto 1530 GMT 17 Aug 93

[Text] The press office of the prime minister has reported to BIA that esteemed Golboddin Hekmatyar, prime minister of the Islamic State of Afghanistan, told reporters at a news conference in Peshawar that general elections will be held in October. Esteemed Hekmatyar stated: Requisite measures have been taken to hold the elections, the first such elections in the history of Afghanistan. The prime minister said: The elections held after the fall of Zaher Shah's government did not reflect the will of the nation. Esteemed Hekmatyar added that by holding elections, there will emerge an opportunity to establish an Islamic regime in Afghanistan, a fundamental right of all Afghans. He expressed hope that by holding elections, a powerful government will be established in the country and that all Afghans will have a peaceful and prosperous life.

The commissions appointed to make arrangements for the elections of the ministers of defense and internal affairs continue their work, and they hope that after the general elections, a decision will be made regarding these ministries.

A BIA correspondent writes: On the basis of agreements among respected jehadi leaders, the election commission has completed preliminary work on holding elections and has collected the views of all state and social establishments, personalities, and organizations. In one of its recent sessions, the commission resolved that heavy weapons will be collected before the elections. The weapons are in the hands of individuals, and until the forces of such organizations are organized by the Ministry of Defense, there can hardly be free, secret, and direct elections. It is important that all organizations, especially the Hezb-e Eslami organization—whose leader is in charge of the premiership of the country—will take the initiative and will very soon deliver their weapons to the Islamic army.

Bangladesh

Sharp Rise in Export of Manufactured Goods Noted

BK1608110893 Dhaka THE BANGLADESH OBSERVER in English 11 Aug 93 p 5

[Unattributed report]

[Text] The greatest success of the industrial sector of Bangladesh has been with respect to growth of manufactured exports. In 1973-74, total exports from Bangladesh amounted to U.S. $372 million, of which about 64 percent were manufactured products. In 1992-93, total exports stood at about U.S. $2,500 million indicating a trend growth of more than 9 percent and with the share of manufactured products estimated at more than 90 percent. Manufactured exports, thus, experienced an average annual growth rate of more than 12 percent during the last two decades.

What is more important is that non-traditional manufactured items have formed bulk of the additional export. For example, starting from a level of U.S. $0.67 million in 1978-79, export of readymade garme s has reached U.S. $1,310 million in 1992-93 implying an average annual growth rate of more than 60 percent. Other non-traditional manufactured exports which have experienced significant growth include processed fish and sea-food, hosiery and processed leather and leather products.

Growth of private entrepreneurship has been slow in Bangladesh in the past. During the British period, trade and industry in the then Bengal was dominated by the Hindus. The vacuum created by their migration in 1947 was soon filled in by the West Pakistani, and non-Bengali Muslim migrant entrepreneurs with active state support. East Pakistan lacked a wealthy trading class that could provide the basis for the rapid growth of an entrepreneurial class. The prevailing culture was also unfavourable for development of the business class which relegated the businessmen an inferior position to civil and professional services. However, during the 1960's the process of development of a Bangladeshi entrepreneurial class and culture slowly began. The growth process met a serious set back when after independence the government nationalised all large enterprises in jute, textiles and sugar industry including bank, insurance and export trade in jute. The nationalisation measures alienated the nascent Bangladeshi entrepreneurs and this had a longer term impact in the form of slow growth of entrepreneurship in the late 1970's and 1980's when the policy environment was made favourable for the growth of the private sector.

Even after the massive denationalisation drive of the late 1970's and early 1980's public sector continues to be a significant component of manufacturing industry in Bangladesh. According to the CMI [expansion unknown] 1987-88, there were some 167 manufacturing enterprises (i.e. 3.5 percent of all CMI covered enterprises) in the public sector in the reference year. But these are very large sized enterprises with average size of employment per establishment recorded at 1,394 as opposed to 109 in all the CMI covered enterprises. Total employment in the public manufacturing sector accounted for 54 percent of employment recorded under large industry category. The public manufacturing enterprises are also much more capital intensive (with fixed assets of Tk.[taka] 205 thousand per worker) compared to the overall sector (having fixed assets of Tk. 138 thousand per worker) and accounted for 66 percent of the book value of fixed assets recorded under CMI in 1987-88. The share of public sector in the value added by large industry is estimated at about 39 percent. Thus, public sector constitutes a significant part of large industry in terms of all three parameters, namely, fixed assets, value

added and employment, even after the massive denationalisation programme carried out during the 1980's. Nearly half of the public enterprises fall in the Textiles subsector and another one-fifth in the Food manufacturing sub-sector. Public enterprises belonging to the Chemicals sub-sector are fewer in number but are important in terms of share in value added and fixed assets.

In contrast, private enterprises dominate in number but consist mainly of small and medium enterprises. The small and cottage industries which constitute a significant proportion of the sector in terms of number of enterprises and employment share belong wholly to the private sector. Even within the large industry category, private enterprises are of relatively small size. Nearly 64 percent of the private enterprises covered by the CMI 1987-88 have fewer than 20 workers, while firms employing more than 200 workers represent only 4.8 percent of the total.

Private sector also dominates amongst the export industries. Manufactured exports from Bangladesh come mainly from the private sector. Share of public sector in manufactured exports is currently to the tune of 10 percent only.

One of the most significant conclusions that have emerged in recent decades with regard to economic management is that industrial and economic development have to be led by the private sector. This renewed faith in the role of the private sector is, by now, a fairly universal phenomenon.

One often hears the broad statement that the government should play a facilitatory role in the private sector led development process. A number of questions follow from here. First, what actions on the part of the government are likely to facilitate private sector development; second, whether the choice of such actions is invariant with the level of development of the country, and third, in undertaking such actions, how does the government interact with the private sector i.e. the issue of cooperation between the government and the private sector.

With respect to the first question one extreme view is that it is not action but lack of action on the part of the government that facilitates private sector development, which in fact is, the case for laissez faire. The problems with this position are all too well-known. The world is not frictionless, the price signals are not always undistorted and information is also, not costless. In fact, a wide variety of factors inhibit the free function of the market forces.

If we look at the Bangladesh situation we see that government regulatory barriers were once considered as the major impediments to industrialisation. During the last decade these barriers have been removed or relaxed to a significant degree. It is true that a lot more needs to be done in this direction. But even with whatever deregulation that has been carried out, a commensurate improvement in the industrialisation situation has not followed. This implies that in addition to removing the regulatory barriers, government actions are necessary to break other bottlenecks to the industrialisation process.

It would be relatively straight forward to identify the areas where the government needs to play a facilitatory role. The prime one, of course, is with regard to maintenance of congenial macro policy environment. This includes trade and exchange rate policy, monetary policy, fiscal policy, labour policy, legal policy framework etc. In addition, government support actions are also needed in the area of information collection and dissemination, infrastructure creation, skill development, access to foreign technology, development of indigenous technology through R & D [Research and Development] etc.

With regard to the second question, there would be broad agreement with the view that the nature and extent of facilitatory role that the government needs to play for private sector promotion varies with the level of development of the country. In the early stage of development, the government may need to play a complementary role beyond the recommended supportive and facilitatory role. This means that the government may have to undertake entrepreneurial responsibilities to facilitate the development of particular private sector industries.

Two points, however, need to be noted here. First, the purpose of the public enterprise should be to complement private sector development effort and not to substitute it. Secondly, public involvement will have to be of transitory nature aimed solely at facilitating private sector development. This has been the dominant feature of government action for private sector growth not only in Japan but also in South Korea and Singapore.

For any form of facilitatory function on the part of the government to be effective, however, there is need for close interaction between the government and the private sector. The prime reason behind this is to find out the felt needs. Since the government intends to facilitate private sector development through its actions, it is only logical that it should find out what the felt needs are. Secondly, there may be differences of opinion between the government and the private sector regarding the direction of industrialisation and the corresponding policies that need to be pursued. If governments facilitatory functions are to bear fruit, these differences will have to be bridged through a process of dialogue and a common agenda of action will have to be agreed upon.

In the developing countries these interactions between the government and the private sector often take place in an adhoc manner. The model case of cooperation between the public and the private sector is, of course, illustrated by Japan. Japanese model was replicated with their own variations by South Korea, Taiwan and Singapore. It is high time that Bangladesh, comes up with its own variation of monolithic Bangladesh, Inc.

India

Police on 'High Alert' for Alleged Plot To Kill Rao

BK1708144293 Hong Kong AFP in English 1430 GMT 17 Aug 93

[Text] New Delhi, Aug 17 (AFP)—Police and security agencies were placed on a high alert here Tuesday after an unidentified man telephoned officers to warn of a plot to assassinate Prime Minister P.V. Narasimha Rao.

A police spokesman said the male caller telephoned the New Delhi police control room twice saying he had been paid 33,300 dollars by an unspecified militant group to assassinate the Indian prime minister.

The man had said the attempt would be made at 12:30 p.m. (0700 GMT) when Rao drove from his residence for parliament, the Press Trust of India said.

The prime minister's guards have been alerted and all routes used by Rao were under surveillance, the news agency added.

Rao is high on the death lists of several Muslim and Sikh militant groups battling for separate homes in the northern Indian states of Kashmir and Punjab.

Explosives Used in Tamil Nadu Bomb Blast Identified

BK1808032493 Delhi All India Radio Network in English 0245 GMT 18 Aug 93

[Text] Forensic experts have confirmed that the highly explosive RDX [Research Department Explosive] and PETN [Pentaerythritol Tetranitrate] were used in the blast at the RSS [Rashtriya Swayamsevak Sangh] complex in Madras on the 8th of this month killing 11 persons. The Inspector General of Crime Branch, CID [Criminal Investigation Department], Mr. Perumalswamy, told newsmen in Madras yesterday that detailed examination of the debris and other materials have confirmed the use of the explosives. According to him, the experts from both the center and the state are yet to detemine whether the explosion was triggered by a time devise or remote control. He said police are looking for two youths who are reported to have fled the site minutes before the blast.

Decline in Industrial Production Reported

BK1808040893 Delhi INDIAN EXPRESS in English 13 Aug 93 p 8

[Editorial: "Industrial Stagnation"]

[Text] Industrial production in the country has lost bounce. Following import compression, the index of industrial manufactures had declined by 1.7 per cent in 1991-92. Despite the easing of import restrictions and credit curbs, the production of manufactures registered an increase by no more than 0.8 per cent in 1992-93. The output of manufactures is still below the level of 1990-91. The Government had projected a growth in industrial production overall (that is, manufactures, plus mining and quarrying plus electricity generation) by 4 or even 4.5 per cent in 1992-93. The actual growth has turned out to be just 1.3 per cent. Ostensibly, Ayodhya imparted a jolt from which industry has simply not recovered. Production fell continuously after December (Ayodhya) in January, February and March. But how long will industry take to reverse the setback? The latest data show that industrial production for April 1993 was below the level of April 1992. Electricity generation has improved, though modestly, through 1992-93. At one time, inadequate availability of power was identified as a constraint on production. This is not true, as of now.

Public outlay on industry took a knock when the Government steeply reduced its budgetary support to public sector enterprises. The latter have had to slow down investment since they have not been able to raise adequate funds through internal resources generation and from the scam-depressed market.

This, in turn, has reduced the domestic consumption of steel, cement, etc., prices of which went up with decontrol. It would have been a different matter if the Government had sought to achieve fiscal correction primarily through a reduction of revenue expenditure. But it took the soft option in the name of putting the public sector under the hard budget constraint. Coal prices have been raised successively in recent months raising production costs of cement and aluminium, for example. This has eroded profit margins (and ploughback) in several industries. Not Ayodhya, but the reform strategy has hurt industry, especially the metal-based and power-intensive industries. (Note that reform of power tariffs has hardly begun.) Despite Ayodhya, the industries which recovered in 1992-93 are the textile (yarn and fabric) industries. This shows how the pattern of demand has been altered by the Government's accelerated profligacy in revenue expenditure.

For the Ayatollahs of the North Block, reform means squeezing out public investment. Reform by fatwa [religious edict], not logic, has also meant a loss of grip on critical costs. With burgeoning revenue expenditure (financed with market borrowings which are reaching a dimension that will soon crowd out private investment), the stage has now been set for combining industrial stagnation with inflation. Fortuitously, this year's likely good harvests will stagger the march of inflation.

Reasons for 'Shy' Foreign Investment Viewed

BK1808042293 Delhi INDIAN EXPRESS in English 13 Aug 93 p 8

[By A.M. Khusro]

[Text] On the question of foreign investment, some politicians, political parties, trade unions and even some industrialists, take strange positions—it is either black or white, yes or no and all or none. Socio-economic realities

however, do not admit these extreme positions and quite often a middle course virtually imposes itself as the most acceptable. It is true that foreign investment especially through multinationals, can influence domestic policies and even compromise what is nationally most desirable.

However, methods are available for countering such a meddling in domestic affairs. Foreign investment may avoid areas of high and long-term social profitability and may concentrate in areas of short-term private or corporate gains. India, by the same logic, cannot block out foreign investment as she herself is going to be a foreign investor—especially in the service sector—in banking, insurance, shipping, hoteling etc. In any case India needs new technologies and amenities to become competitive with the rest of the world—and these technologies come on the wings of foreign investment. As the owners of the new technologies will not part with them except on conditions of running joint ventures and participating in the equity of Indian companies, the inflow of foreign investment becomes a necessary condition for obtaining high-powered technologies. If we reject such technologies, we condemn ourselves to low-powered marginalisation and poverty-stricken backwardness. That is how foreign investment becomes necessary, essentially as a vehicle of technology transfers.

But, in what lines should foreign investment be applied? Here, there are some legitimate questions. Does the country need foreign investment in food processing industry, in hot and cold beverages and ordinary consumer goods? Or should it use foreign investment as an instrument of obtaining new and high-powered technologies in areas where it is unlikely to generate such technologies in the foreseeable future? Surely, foreign investment must proceed in the latter which is a priority area and far more important than food and beverages etc. In the last forty years, India's method of diverting a limited foreign investment into specific priority channels was basically a quantitative one; disallow it in some lines and permit it in others on certain conditions governed by FERA [Foreign Exchange Regulation Act] and MRTP [Monopolies and Restrictive Trade Practises] guidelines and the licensing system. Now that physical controls, quantitative restrictions and administrative diktat are going out of fashion, nearly everyone seems to be jumping on the bandwagon of "free for all" foreign investment. But, that is not desirable. Since we cannot direct foreign investment into specified channels through licensing and quantitative restrictions the Government should seriously consider the use of fiscal instruments to canalise investment and ration it by the purse instead of quantitative rationing. It is always possible to have differential tax rates, varying subsidies and discriminating concessions between one line of industry and another. Free-marketeers cannot object to such fiscal differentiations while they will object, with a great deal of justification, to physical and bureaucratic restrictions. A whole range of fiscal policy decisions is open to us to let foreign investment flow voluntarily into desirable channels where high technology from the West is absolutely essential.

While several cobwebs have been swept aside and many freedoms such as 51 per cent equity given to foreign investors in India, it is the non-fulfilment of a few basic conditions that are restraining the foreign investors and preventing them from jumping off the fence on the right side. Annual foreign investment flows in China are more than ten times the foreign investment flows in India. Lately India has been putting out figures which show a big increase in foreign investment approvals by the Government. But approvals are approvals and have not much to do with what is actually invested; and, in fact, not much more than before is being invested. To that extent the transfer of technology is slow and the effects of the utilisation of new technologies are hardly noticeable at the ground level.

One basic reason, among many others why foreign investment in India remains shy is the Indian labour force. On the face of it, labour looks inexpensive. But by the time one has reckoned with the inefficiency, lack of pride in work, absenteeism strikes and lock-outs and poor management and supervision it turns out that the low average wage per man-hour is an optical illusion.

Some lessons can be drawn from China and the Gulf countries. These are two entirely different categories in terms of their industrial structures. China is a socialist economy with various controls and interventions in the market even today while Saudi Arabia, the UAE, Oman Kuwait, Bahrain etc are market economies with very few restrictions except in terms of industrial ownership and property holdings. Yet, China and the Gulf countries have one thing in common: they do not allow industrial relations, that is labour-capital relations, to blow up into strikes, lock-outs and such other frictions. Nor do they allow student troubles to grip the economy. These countries have no Mandalisation and no industrial frictions. Having controlled the student sector and the trade-union sector, both China and the Gulf countries liberalise the rest of the economy in many ways. The resultant industrial peace yields highly effective consequences for investment, production and exports, and foreign investors find both China and the Middle East very lucrative areas for investment. Not so India where nearly each day some strike, some holdup, some blockade and some friction is in evidence. No wonder investment shies away. As this country presumably cannot adopt the Chinese and the Middle-Eastern practices, the trade unions and employers have to develop a vision and healthy practices of their own.

Nor has the Government a clear exit policy. Having announced various deregulatory and competition-permitting measures, it is a serious contradiction that firms cannot make an exit and cannot lay off workers, subject to various safeguards. Competitive adjustments of costs and efficiencies do not go with rigidities in employment. Such a situation, in fact, causes unemployment in a subtle way—those who are in the jobs are retained but those outside and striving to get into the production system are kept out. A simple exit policy which will have far-reaching effects would be to allow

each enterprise to lay off say, two per cent, of its workforce per annum, if it so desires. Of course, such freedom has to be combined with early retirement schemes, golden handshakes investible pensions, training and retraining programmes and alternative employment schemes in such ventures as a national housing plan or revamped public sector beneficiary-oriented projects. But an exit policy, however simple, is necessary and would be a key to growth as well as to a healthy foreign investment.

State-Initiated Development for Poor Urged

BK1608041393 Delhi INDIAN EXPRESS in English 7 Aug 93 p 8

[Editorial: "Poverty of Growth"]

[Text] The Planning Commission has egg on its face. To tout the trickle-down theory of growth, it extrapolated National Sample Survey data to claim that India's poor were rapidly contracting to become non-poor. Between 1977-78 and 1987-88 it asserted, the proportion of the poor in the population had dropped from one-half to 30 per cent. At that rate, India's poor would become a vanished tribe by the year 2000. Rajiv Gandhi and his successors concluded, not unexpectedly, that the market had arrived. But the planners had overreached themselves. When they were told as much by a committee of experts in a report submitted to the Commission last January, the planners went into sheepish silence. The committee, headed by the late D. T. Lakdawala, took a fresh look at how poverty is measured. It found that poverty was defined too narrowly. The old measure merely distinguished between starvation and non-starvation. The committee came out with an alternative measure to find out the proportion of people that did not earn a minimum standard of living (MSOL).

Using the MSOL, the report held that the proportion living in poverty had declined to 38 per cent in 1987-88. This means that during the salad years of accelerated economic growth, the number of the poor had declined by just 21 million and not by 94 million; those without a minimum standard of living exceeded 300 million, and their number had not declined to 240 million as had been inferred from the Planning Commission's estimate; and the number that had escaped the poverty trap was 98 million, not 160 million. These revisions show how far (that is, how little) trickle-down growth can go in a decade of rising population. (The old measure of the number lifted out of poverty, or rather starvation, reflects the reach of social transfers not growth.) This is what makes the Lakdawala report significant. India may have 200 million affluent customers to rev up the market-fuelled engine of growth. But, it is clear, little of such growth will, by itself, filter down to those deprived of the minimum standard of living.

What is needed is a market-plus strategy, the plus being state-initiated development directed at the poor; and not merely a distress-alleviating strategy for the wretched who, being in no position to back their need with purchasing power, are left out in the cold by the market. But the state is in irreversible retreat. There is, therefore, no question of striving for a pattern of growth that prioritises the generation of incomes among the poor. Trickle-down is all. The Government has, as is to be expected, filed the Lakdawala committee's report with the World Bank, secure in the belief that the articulate political class, tired of the poor (who are always with us!) will not demand its release to the Indian public. But it is one thing to suppress a report that raises tough questions, and quite another to expect that those consigned to deprivation will wallow in the status quo.

U.S. Hidden Agenda Seen in Pakistani Nuclear Policy

BK1708133193 Bombay NAVBHARAT TIMES in Hindi 3 Aug 93 p 1

[By Ranjit Kumar]

[Text] Pakistani Caretaker Prime Minister Moin Qureshi's statement soon after his return from the United States that Pakistan has nuclear weapons capability has special significance and meaning. About two years ago, Begum Abida Hussain, former Pakistani ambassador to the United States, made a similar declaration in Washington that Pakistan is capable of making nuclear weapons. Observers wonder why Pakistan made official announcements regarding its nuclear program in the United States.

Only two weeks after relinquishing his post, former Pakistani President Ishaq Khan said that Pakistan's nuclear weapons program is imperative for its existence. At the same time, former Pakistan Army Chief Mirza Aslam Beg revealed that Pakistan had carried out a nuclear test as far back as 1987. Official and unofficial pronouncements by the Pakistani leaders about their nuclear weapons program merely confirm their nuclear intentions. They do not provide any new information. That is why Moin Qureshi's declaration in Islamabad yesterday is not startling. But what is interesting is that the caretaker prime minister told newsmen only after his return from the United States that Pakistan is capable of manufacturing nuclear weapons whenever it desires. It is also noteworthy that the U.S. administration has expressed no reaction to the Pakistan prime minister's announcement. The observers also wonder why the United States—a strong advocate of nuclear nonproliferation—remained silent after this significant announcement.

Observers suspect that this may be a U.S.-Pakistan joint strategy of intimidating India into attending the five-nation conference on the nuclear issue proposed by Pakistan two years ago. Some observers believe, however, that Pakistan's announcement will only strengthen the conception in India that it should not only take countermeasures for its security, but should strongly oppose the Nuclear Nonproliferation Treaty [NPT].

Two years ago, former Pakistan Prime Minister Nawaz Sharif proposed a five-nation conference including Pakistan, India, the former Soviet Union, China, and the United States to solve the South Asian nuclear tangle. India immediately rejected the proposal because China wanted to attend only as an observer. It was later revealed that, in fact, the draft of the proposal was prepared at the request of the United States, but Pakistan presented it as its own proposal.

Along with the U.S. strategy of ignoring Pakistan's nuclear weapons program and pressuring India into signing the NPT, efforts have also been intensified to create a Pakistan nuclear weapons bogey. The U.S. intelligence agencies are releasing reports to convey the impresion that any India-Pakistan war will culminate in a nuclear exchange. India's insistence on not signing the NPT is being projected in such a way to suggest that India is to be blamed for the nuclearization of South Asia.

India is making peaceful use of nuclear energy for power production. This fact is being ignored, and efforts are being intensified to impose various kinds of international sanctions on India. Pakistan, however, which is simply pursuing a nuclear weapons policy, is being spared by considering its program as a mere response to India's. It is a natural phenomenon that spent fuel is produced during the process of converting nuclear energy into electricity and this spent fuel can be used for making nuclear weapons. Since India makes use of nuclear energy for power production, it is natural that it will have so much spent fuel—plutonium—in storage that it can produce many nuclear bombs. The main reason behind the Indian insistence on not signing the NPT, however, is that New Delhi does not want to lose its option of being in a position to build nuclear weapons if the need arises. Although India has not made its nuclear program weapons-oriented, the U.S. intelligence agencies are repeatedly presenting a distorted version of India's nuclear program to the world which credits India with having the materials to make tens of nuclear bombs.

U.S. Accused of Bias Toward Pakistan

BK1408095893 Bombay NAVBHARAT TIMES in Hindi 6 Aug 93 p 4

[Editorial: "Clinton's Balanace"]

[Text] According to the proposed U.S. Asian policy, President Clinton wants to make this region a nuclear-free zone. However, along with this have come two more reports. One, is that of Russia totally canceling the agreement with India to supply cryogenic engines and to transfer related technology, and second, the report of the United States reconsidering its ban on sale of F-16's to Pakistan. These two reports speak a lot about coordination between Clinton's policies and their implementation. He wants to make our region a nuclear-free zone, but under his conditions. On the one hand, he does not want India to acquire cryogenic engines for fear that India will use it to make weapons, although this is impossible—a fact even an ordinary science student is aware of—and on the other hand, the ban on supply of F-16 fighter aircraft to Pakistan is being reconsidered. In fact, the F-16 agreement was concluded a long time ago, and Pakistan should have received the first consignment in 1989, but in 1990 the United States stopped the supply of F-16's because it was pursuing a clandestine program to manufacture nuclear weapons.

Has the situation has improved now? Has it has been proved that Pakistan is not even thinking of nuclear weapons? On the contrary, the bitter fact is that when Clinton was deciding something under his new Asian policy, Pakistan'a acting prime minister Moin Qureshi, who is being described as a benefactor of the United States, was declaring that his country has nuclear weapons capability. There is India, whose often-repeated assurances that it will use cryogenic engines and nuclear capability only for constructive purposes are met with U.S. sanctions at every step, and many obstacles are thrown in its path in the name of the Pressler Amendment. And then there is Pakistan, who acquires M-11 missiles capable of carrying nuclear weapons, and who declares itself capable of making nuclear weapons, but the United States reconsiders its ban on supplying it with F-16's. What kind of justice is this? There is also the fact that in 1993 Pakistan purchased U.S. weapons worth $244 million, which is seven times more than in the previous year. This year Pakistan has increased its defense budget by 84 percent. While the United States intended to include Pakistan on the list of terrorism-sponsoring states, it is now supplying it with arms, one after another. The Pressler Amendment does not mean a thing regarding Pakistan. From the Bush administration to the Clinton administration, everybody seems to be eying only India. What kind of world order Clinton is trying to establish?

Prospects for Indo-U.S. Ties Discussed

BK1708023793 Delhi INDIAN EXPRESS in English 12 Aug 93 p 9

[By Arati R. Jerath]

[Text] New Delhi—The Government is bracing itself to meet renewed pressures from the US on the entire range of issues bedevilling bilateral ties, including Kashmir. With the Clinton Administration moving to put a more "activist" South Asia policy in place under the newly appointed Assistant Secretary of State, Robin Raphel, the coming months are expected to usher in a turbulent phase in Indo-US ties which will severely test the mettle of the Narasimha Rao Government's diplomacy.

India has already had a taste of Washington's increasingly aggressive agenda for the subcontinent in recent months—in the critical remarks on the human rights situation in Kashmir, in Washington's refusal to brand Pakistan a state sponsor of terrorism, in the bills that have been introduced in the US Congress on Kashmir and more recently on Punjab and finally, in the abrupt

cancellation of the cryogenic engine deal by Russia under US pressure which was accompanied by a demand to suspend the Prithvi and Agni missile programmes.

Unpalatable as these are, of graver concern is Washington's new litany on Kashmir being the focal point of its twin concerns of proliferation and human rights abuse.

While rejecting the United Nations resolution on plebiscite as "outdated" and paying lip service to the Simla Agreement, the US has at the same time factored a disturbing nuance into its Kashmir policy—that the whole of the Valley is disputed territory and any settlement must take into account the will of the Kashmiris.

The significance of this shift and the impact it is likely to have on future US dealings with India must be viewed in the context of the changing US-Pak equation after the removal of the Nawaz Sharif government and its bete noire, Ghulam Ishaq Khan.

There are enough indications to suggest the current Army-brokered political setup in Islamabad not only has US approval but is helping to mend the fractured US-Pak relationship.

Caretaker Premier Moin Qureshi was, for instance, received by US Vice President Al Gore during a recent private visit to Washington. Significantly, Kashmir figured prominently in their discussions and since then, Qureshi has not lost any opportunity to endorse the US view that the Kashmir dispute is linked to the nuclear issue.

The US has also agreed to renegotiate the F-16 deal with Pakistan for which a senior General from the Pentagon flew into Islamabad last weekend.

US State Department officials have made no effort to hide their anxiety at the loss of US leverage in Islamabad following the application of the Pressler Amendment to military aid and supplies to Pakistan.

In fact, even during the final days of the Bush administration, the State Department had been working to find a way to bypass Pressler in an effort to regain its hold over Pakistan.

Now that the main proponent of the Pak nuclear programme Ishaq Khan has been ousted, the talks on F-16 (which will lead up to the Washington visit by Pak Army Chief Abdul Waheed) are being seen here as a signal that the nuclear issue may gradually cease to be an irritant in US-Pak ties.

There are of course, many imponderables still, the biggest being the outcome of the Pak general elections later this year. However should an Army-sponsored regime with a democratic facade assume office in Islamabad, India will have to be prepared for several unpleasant decisions by Washington as the latter attempts to restore the balance in its relationship with Pakistan.

Washington's linkage between non-proliferation, human rights and Kashmir, therefore has ominous portents for India which the Government can ill afford to ignore.

Any reassessment by the Government of its US policy will naturally have to take into account the shifting US-Pak axis. At the same time, making Pakistan the reference point of Indo-US ties, as the Government has been wont to do, can only disrupt a relationship which, all said and done, is still important for India.

Editorial: 'Equal Terms' in Indo-U.S. Ties Needed

BK1808035493 Delhi INDIAN EXPRESS in English 13 Aug 93 p 8

[Editorial: "Friends, Not Masters"]

[Text] All is not well between the governments of India and the United States of America. Two years ago there was much hype about an emerging relationship between the two largest democracies. The promotion went to the extent of calling for a strategic relationship, partnership in defence and such other matters. Time and events of the last few months have proven that such aspirations were not based on an understanding of how close associations come to be made. Lulled into complacency by a comfortable working relationship with the former Soviet Union, Indian diplomacy was clearly unprepared for the rigours of the real world. Deliveries do not come to the door, an impression which the mandarins of the Ministry of External Affairs, unfortunately, continue to harbour. And it was not surprising, therefore, that after all those promising declarations, Indo-US relations did not quite take off. The reason is simple, the two have completely different worldviews, and markedly differing expectations.

The US wants India to be a surrogate in its regional diplomatic games. India's geographical position, military capability and emerging economy ensure it a pre-eminent role in South Asia, an important position in South-East Asia. It needs India's demonstrated military power for global policing, like in Somalia; while it also wants to gain an insight into India's expertise at high-altitude operations, a la Siachen. The problem, however, lies in the fact that while India wishes to be treated as an equal, the US likes to dictate terms and conditions of the relationship. For any self-respecting nation, that is clearly an unacceptable situation. When views do not coalesce there is friction; and differences over Kashmir and terrorism, bullying over cryogenic technology and nuclear proliferation are manifestations of that discord. There will be more pressures and more problems. But India cannot compromise. While India will be squeezed over military technologies, it must realise there is only one honourable alternative, do-it-yourself.

There is no reason to believe, however, that matters have reached an impasse. They have not, but the two nations need to work together at creating an atmosphere conducive to a viable exchange. India needs to extricate itself from the dependency syndrome if it wishes to be treated

as an equal. The US, on the other hand, must accept that on certain issues there can be no question of India compromising. Kashmir is an integral part of India, treaties that discriminate will not be signed, and India will continue to upgrade its technological base. That is not asking for too much in terms of understanding, but the message has to be conveyed ably and maturely. Indian diplomats must discard the crutches they have so far mentally depended on. And the country must have an energetic and innovative External Affairs Minister. New Delhi will have to set its own house in order, first, if it wants to deal with the US on equal terms.

U.S. Leads Investments in First Half of 1993

BK1708140393 Delhi THE HINDUSTAN TIMES in English 10 Aug 93 p 15

[By Nitya Chakravorty]

[Text] New Delhi, Aug. 9—The amount of foreign investment in India by the U.S. companies approved in the first six months of 1993, is more than 50 percent of the total approvals during this period from all countries including the NRI's [Nonresident Indians].

According to the latest country-wise break up of foreign investment proposals approved during the first half of 1993 prepared by the Industry Ministry, the USA is leading the foreign investing countries in India during this period with its investment approvals totalling Rs. [rupees] 2,097.6 crore out of the total approvals of Rs. 3,951.9 crore.

What is interesting is that since the announcement of the new industrial policy in July 1991, the USA has been much ahead of others in terms of investment approvals. While in 1991, the U.S. foreign investment approvals in India totalled Rs. 185.8 crore, it went up to Rs. 1,231.5 crore in 1992 and in the first half of 1993, the figure of Rs. 2,097.6 crore has crossed the investment approval figure of the entire year of 1992.

Switzerland has emerged second in terms of investment approvals but it is a poor second. The Swiss investment approvals in the first half of 1993 totalled Rs. 401 crore as against Rs. 689.7 crore in 1992 and Rs. 35.5 crore in 1991. The UK is now in the third position with its investment approvals totalling Rs. 279.6 crore in the first half of 1993 as against Rs. 117.6 crore in the whole of 1992 and Rs. 32.1 crore in 1991.

The fourth in this country-wise investment approvals list is Thailand whose approvals totalled Rs. 366.4 crore in the first half of 1993 as against only Rs. 1.92 crore in 1992 and nil in 1991. Next in the list are the NRI's [Nonresident Indians] whose total approvals totalled Rs. 255.8 crore during Jan-June 1993 period as against Rs. 439.1 crore in 1992, and Rs. 19.7 crore in 1991.

The analysis reveals that excepting these three countries and the NRI's, others have not responded in a big way in taking advantage of the present foreign investment policy. For instance, Japan's record has been poor in 1993. In the first half of this year, Japanese investment proposals approved totalled Rs. 103.5 crore as against Rs. 610.2 crore in 1992.

Similarly, German investment approvals have recorded marginal increase. The foreign investment proposals from Germany in the first half of 1993 totalled Rs. 111.2 crore as against Rs. 86.2 crore in 1992 and 41.8 crore in 1991. As regards China, there has been an improvement. In 1992, there was no Chinese investment proposal but in the first half of 1993, the foreign investment proposals approved from China totalled Rs. 36.1 crore.

Among the leading developed countries, France has been showing not much interest in investing in India. Figures show that in the first half of 1993, the investment approvals from the French companies totalled only Rs. 6.1 crore though in 1992, the total of the French firms investment approvals was at the level of Rs. 29.6 crore and in 1991, the total was Rs. 19.3 crore. So unless, there is a big jump in French approvals in later half of this year, the pace of the French investment will in fact slow down.

Of the new investors, Singapore stands prominently in the list. In 1991, the foreign investment approvals totalled only Rs. 1.37 crore but this went up to Rs. 60.2 crore in 1992 and in the first half of 1993, the approvals have touched Rs. 37.2 crore.

Significantly, Russia has become virtually a non entity as an investor in India as a result of the break up of the Soviet Union and the implementation of new policy under Boris Yeltsin. Russian investment proposals approved in the first half of 1993 totalled only a meagre Rs. 1.4 crore as against Rs. 11.5 crore in 1992 and 8.6 crore in 1991.

Malaysia is one country which is taking a big interest in investing in India. From just Rs. 1.8 million in 1991, Malaysian investment approvals went up to Rs. 74.4 crore in 1992 and in the first half of 1993, this has come down to Rs. 8.4 crore. But a number of Malaysian companies are work [words indistinct] proposals and that gives the confidence that further investments will be coming in future.

Trade With U.S. Expected To Grow 'Significantly'

BK1508102293 Delhi THE HINDUSTAN TIMES in English 4 Aug 93 p 15

[By Bhushan Marwah]

[Text] NEW DELHI, Aug. 3—Indo-U.S. trade, which has been virtually stagnating at a level of about five billion dollars annually since 1988, is likely to grow significantly during the current year.

The volume of trade between India and the United States is expected to touch U.S. $7 billion during 1993, a

quantum jump of $1.4 billion over the previous year, if the growth rate registered in the first four months of 1993 is sustained.

The markedly upward curve in the bilateral trade between the two countries is attributed primarily to liberalisation and "opening up" of the Indian economy as well as positive indications that the United States economy is on road to recovery under the Clinton Administration.

Indian exports to the U.S. during January-April 1992 increased to $1,558 million from $1,241 million during the corresponding period last year, registering a growth rate of 26 per cent, according to latest official figures available here.

At the same time, Indian imports from the U.S. during January-April 1993 increased to $761 million from $594 million during the corresponding period last year, marking a growth rate of 28 per cent.

In recent years imports from the U.S. have been showing a continuously declining trend. Imports have fallen from $2,463 million in 1989 to $1,914 million in 1992, a decline of 22.3 per cent.

Next to the European Economic Community (EEC), the United States is India's largest trading partner. It accounted for just under 19 per cent of India's total exports and 9.77 per cent of total imports during 1992-93. The dollar value of the bilateral trade has been more or less stagnant since 1988.

The two-way trade increased from $5.2 billion in 1991 to $5.6 billion in 1992, registering a growth of 9.5 per cent. During the same period, U.S. exports to India decreased by 4.4 per cent while Indian exports to the U.S. increased by 18.2 per cent.

Major Indian exports that registered an increase were diamonds and jewellery, textiles and apparel, carpets and other floor coverings, footwear and leather products, pneumatic tyres, ferro-alloys, parts and accessories of motor vehicles, bells (non-electric), ornaments, oxygen function amino-compounds and worked monuments and stones. On the other hand, exports of mineral oil, shrimps and prawns, cashewnut, precious stones, woven fabrics of jute, mixed vegetables fats and oil suffered a decline.

However, in terms of total U.S. trade, the Indian share has been rather insignificantly low. India's share in U.S. trade has been less than one per cent in past four years. In 1992, the Indian share of U.S. total exports and imports bas been 0.4 per cent and 0.7 per cent, respectively.

The composition of India's exports over the years has undergone a change. Crude oil, which was the second highest export item in 1985 has been virtually phased out.

Currently, major items of Indian exports to the U.S. are textiles and apparel, diamonds, jewellery and precious stones, shrimps and prawns, cashewnuts, carpets and handicrafts, naptha, dyestuffs, auto tyres and parts. Six items, namely textiles and clothing, diamonds and precious stones, carpets, shrimps and prawns, footwear and leather goods and cashewnuts account for about 75 per cent of Indian exports to the U.S.

Over the years there has also been a change in the composition of India's imports from the United States. Large scale imports of wheat from the U.S. have virtually ceased and imports of edible oil have tapered off.

The major items of imports from the U.S., which have remained more or less the same for several years, are specialised industrial machines, fertilisers, metaliferrous ores, metal scrap and electrical machinery. Among the items imported from the U.S. at present, the chief ones are fertilisers, ferrous waste and scrap, aircraft parts, oil (not crude), bituminous minerals, machinery parts, metal extract, soyabean oil, automatic data processing machines and parts thereof, wood pulp and parts of railway locomotives.

Apparently, India's exports to the U.S. are sensitive to the rates of growth in the U.S. economy. The sluggishness of the U.S. economy in the last few years has, to a significant degree, been responsible for the very modest levels of growth of India's exports to the United States.

This, however, is not the sole factor at work. Textiles, which is one of the most significant Indian item of exports, is governed by bilateral quotas fixed under the Multi-Fibre Arrangement (MFA). Protectionist sentiments in the U.S. have also led to a series of antidumping and countervailing duty investigations affecting steel and chemical products. In 1992 the U.S. also took action to withdraw benefits under the Generalised System of Preferences (under which selected products from developing countries enter the U.S. market duty free) from the entire range of chemical products. This was done because of continuing differences between India and the U.S. on the issue of patents.

Newspaper Previews Rao Visit to PRC

BK1608151593 Delhi THE HINDUSTAN TIMES in English 10 Aug 93 p 10

[By M.K. Dhar]

[Text] New Delhi, Aug. 9—Prime Minister P.V. Narasimha Rao's four-day China visit from Sept. 6 is expected to firm up confidence building for maintenance of peace and tranquility along the Sino-Indian border and impart a new thrust to plans for economic, commercial, and technological cooperation between the two countries.

The satisfactory pace of expanding relations in many spheres since the visits of late Prime Minister Rajiv Gandhi in Dec. 1988 and of Chinese Premier Li Peng in Dec. 1991 will be reviewed and steps devised to give more substance to them.

The Chinese side is very keen on the Prime Minister's visit which, it believes, will mark another milestone in the growing relations between the two countries. The leaders of the two countries are expected to discuss the international situation which is fast changing, review issues of peace and disarmament, South-South cooperation as well as regional security. Although a signatory to the Nuclear Non-Proliferation Treaty (NPT) and a proclaimed adherent of the Missile Technology Control Regime (MTCR) guidelines, China has never suggested to India to fall in line nor moralised about nuclear disarmament. Fully occupied with economic development, China talks of peace and adherence to the five principles of peaceful co-existence enunciated by Mr. Jawaharlal Nehru and Mr. Chou En-lai.

The need for some more confidence building measures (CBMs) to maintain peace and tranquility along the border is felt though several steps were agreed to at the sixth meeting of the Joint Working Group held in New Delhi in June, 1993. Discussions were continued on arriving at a mutually acceptable settlement of the boundary question. To enhance mutual confidence, further measures were discussed, such as, prior notice of military exercises, prevention of air intrusions and redeployment of forces along the line of actual control.

The CBMs agreed to earlier included meetings of border commanders and establishment of direct telephone links at the border have helped in maintaining peace and tranquility along the line of actual control which has remained incident-free since Mr. Rajiv Gandhi's Beijing visit. Officials of the two sides are in touch in order to work out further details of the measures already agreed upon, and it remains to be seen if conclusions emerge by the time Mr. Rao visits Beijing.

In furtherence of the objectives of expanding economic and commercial relations, Ministers of the two countries, as well as officials, have exchanged visits with the result that trade is expanding, though the target for this year remains a modest U.S. $300 million because of the complementary economies of the two countries even though China has contracted to buy more iron ore from India.

Border trade conducted through a single point at Lipulekh is still on a modest scale, though the two countries have agreed to open another point at Shipkila Pass this year, but it is doubtful if it will be operational before November. The Indian traders don't seem to be satisfied with the facilities in Gunji in Uttar Pradesh though they say that the facilities on the Tibetan side at Bulan, where they have to pay tax, as well as a rental charges in Dollar, are better.

While the details of implementing the various agreements will be worked out by the officials, the Prime Minister may like to hear from the Chinese leaders their experiences with the working of the 'socialist market economy' and he, in turn, may brief them about the economic liberalisation programme of his Government. Both countries are now opening up to foreign investment in a big way and curtailing the role of the inefficient State sector. In the past five years China's growth rate has averaged 10 per cent—last year it was close to 13 per cent. China has foreign exchange reserves of the order of U.S. $60 billion and is getting massive investments mostly from overseas Chinese, up to 80 percent. China's trade surplus with the United States last year was close to U.S. $15 billion despite the none-too-happy state of relations between the two countries over the nuclear and missiles proliferation issues.

China is keen on joint ventures with India, but the response so far has not been very encouraging. Only one venture for production of drugs and pharmaceuticals in China has so far been cleared though the Chinese have promised complete infrastructural support including transport, power, water supply and materials availability. As the flow of foreign capital grew, the treatment of foreign investment has been increasingly liberalised and approvals are readily granted to establishment of wholly owned foreign companies.

In India so far non-resident investment is very limited. This is partly because of the fact that the total number of NRIs [Non-Resident Indians]—14 million, is much less than that of overseas Chinese (60 million). Further, the percentage of overseas Chinese engaged in commercial and industrial activities in the total overseas Chinese population is much larger than the corresponding ratio of NRIs active in similar sectors. However, China continues to be a highly regimented society under the Communist Party, though business activities have been drastically liberalised. The old political system is being maintained primarily as a means to maintain order in the society, though it is being grudgingly accepted by the people as the Tiananmen Square episode revealed.

However, as in India, the Chinese leadership maintains that the current economic reforms are irreversible, because of the vast number of people benefiting from them. But there is no indication as to how an economically strong China will go on the political front. Liberalisation and march towards a "Socialist Market Economy" are creating many problems now facing Western societies—drug pushing, increasing crime rate and corruption at the official and political levels. Addressing the 72nd anniversary celebrations of the founding of the Chinese Communist Party recently, party secretary Mr. Jiang Zemin lamented over slackening party discipline "and a tendency among some party members to worship money and pleasure and totally pursuing personal gains."

He went on to say that the party should promote economic reforms and also crack down on severe crimes. "The anti-corruption campaign should be regarded as an important task in party building. All party members should fully display the spirit of working hard and firmly opposing money worship hedonism and outright individualism. Leading bodies should prevent and overcome bureaucratisation and formalism." Obviously, economic

reform has generated its own pressures and long-deprived partymen are unable to resist the temptation of a market economy.

Rao To Pay 'Goodwill Visit' to Bhutan

BK1708161493 Delhi All India Radio Network in English 1530 GMT 17 Aug 93

[Text] The prime minister, Mr. P.V. Narasimha Rao, will pay a two-day goodwill visit to Bhutan from Saturday [21 August]. This will be Mr. Rao's first visit to Bhutan as prime minister. It is aimed at further cementing the close ties between the two countries. During his visit, the prime minister will discuss, among other things, the situation in the Indian subcontinent and recent developments of mutual interest with the King of Bhutan, Jigme Singye Wangchuck.

Our correspondent reports that India and Bhutan are close partners in development. A 336-megawatt (Shuka) power project located in Bhutan, while supplying power to India, generates considerable revenue for that country. Investigations on several possible future projects are underway. The visit of Mr. Narasimha Rao to Bhutan is part of the close high-level bilateral contacts. India's first prime minister, Jawaharlal Nehru, visited Bhutan in 1959 and Rajiv Gandhi in September 1988. The King of Bhutan paid a state visit to India in January this year.

Iran

Foreign Minister Velayati Leaves for Baku Talks

LD1708152593 Tehran IRNA in English 1504 GMT 17 Aug 93

[Text] Tehran, Aug. 17, IRNA—Foreign Minister 'Ali Akbar Velayati left Tehran for Baku, capital of Azerbaijan Republic, at the invitation of acting president and parliament speaker, Geydar Aliyev, Tuesday afternoon.

During his two-day official visit, Velayati is to discuss with Azerbaijani officials the latest developments in Karabakh conflict, regional issues and ways of promoting Tehran-Baku relations.

Afghanistan's Hekmatyar Arrives in Tehran

LD1808101093 Tehran Voice of the Islamic Republic of Iran First Program Network in Persian 0930 GMT 18 Aug 93

[Text] Afghan Prime Minister Golboddin Hekmatyar arrived in Tehran this afternoon at the head of a senior political and economic delegation. He was welcomed by Vice President Hasan Habibi.

Following his arrival, Mr. Hekmatyar spoke to a Central News Bureau correspondent. He said he hopes to expand relations between Iran and Afghanistan in many areas. He said: Afghanistan is going through a difficult period, and we hope to reach pleasing results in our discussions with the officials of the Islamic Republic of Iran.

Minister Urges Increased Cultural Activities Abroad

LD1708162493 Tehran IRNA in English 1412 GMT 17 Aug 93

[Text] Tehran, Aug 17, IRNA—Minister of Culture and Islamic Guidance 'Ali Larijani here Monday called on Iranian cultural representatives abroad to increase their cultural activities in their country of mission by employing techniques suitable for that particular country.

He called on the Iranian representatives to make efforts to promote tourist attractions of Iran and Iranian culture.

The minister, who was addressing the fifth seminar of Iranian cultural representatives abroad, asked them to pay special attention to investments in economic and cultural activities adding that his ministry is ready to offer the necessary assistance in this respect.

Pakistan

Afghan Prime Minister Continues Visit to Islamabad

Reviews Government Priorities, Tajikistan

BK1808023893 Islamabad Radio Pakistan Network in Urdu 0200 GMT 18 Aug 93

[Text] Afghan Prime Minister Golboddin Hekmatyar has said his government is making efforts to restore peace and stability in Afghanistan at the earliest possible opportunity. He was speaking at a dinner, which was hosted in his honor by Jami'at-e Eslami [Islamic Society] Amir Senator Qazi Hussain Ahmad in Islamabad last night. The Afghan prime minister said formation of an effective consultative council—which is made up of the people's representatives and which will frame the country's constitution—is among the topmost priorities of his government. He said this will pave the way to hold elections in the country and to set up an elected government, which will enable the Afghan nation march toward peace, security, stability, and reconstruction.

Referring to the situation in Tajikistan, the Afghan prime minister made it clear that his country is not interfering in the affairs of Tajikistan, and the current situation is the outcome of the internal circumstances there. He favored a peaceful settlement of the situation in order to enable the Tajik refugees staying in Afghanistan to return home with security and honor.

Welcoming the Afghan prime minister, Senator Qazi Hussain Ahmad stressed the need to implement the accords signed in Islamabad and Jalalabad so as to restore peace, security, and stability in Afghanistan.

Signs Agreement on Return of Afghan Refugees

LD1708193693 Kabul Radio Afghanistan Network in Pashto 1530 GMT 17 Aug 93

[Excerpts] The prime minister of the Islamic State of Afghanistan, esteemed Golboddin Hekmatyar, participated today at a ceremony held at the Prime Ministry of the Islamic Republic of Pakistan. During the ceremony, a tripartite protocol between Afghanistan, Pakistan, and the United Nations regarding the repatriation of the Afghan refugees was signed. [passage omitted]

According to another report, Prime Minister Hekmatyar later attended a luncheon given in his honor by Wasim Sajjad, Pakistan's caretaker president, in the presidential palace. [passage omitted]

Desire for Improved Ties Expressed

BK1708150793 Islamabad PTV Television Network in English 1400 GMT 17 Aug 93

[Text] The acting president, Mr. Wasim Sajjad, has reiterated Pakistan's desire to see peace and stability return to Afghanistan as soon as possible, as it considered a strong, peaceful and stable Afghanistan vital for regional peace and stability. He was talking to the Afghan prime minister, Engineer Golboddin Hekmatyar, who called on him at the Aiwan-i-Sadr [President's House] today. The president reassured the Afghan prime minister that Pakistan would be willing and happy to extend all possible help to Afghanistan in the reconstruction of the war-ravaged country and rebuilding of its economy. Mr. Wasim Sajjad expressed satisfaction over the strengthening of bilateral cooperation in various fields, especially economy and communications, and hoped that it would widen further. The Afghan prime minister thanked Pakistan for its continuing support for peace and stability in Afghanistan and hoped Pakistan would likewise extend full cooperation for Afghanistan's reconstruction. Later, the president hosted a lunch in honor of the Afghan prime minister and the members of his entourage. Some federal ministers and high-ranking officials also attended the lunch.

The prime minister of Afghanistan, Engineer Golboddin Hekmatyar, called on the prime minister, Mr. Moin Qureshi, at the Prime Minister's House in Islamabad today and thanked him for the warm hospitality extended to him and the members of his entourage. Both sides reaffirmed the desire for frequent high-level contacts between the two brotherly neighboring countries and expressed the confidence that the visit will further contribute to strengthening bilateral relations.

Pakistan, Afghanistan and the UN High Commission For Refugees [UNHCR] have signed an agreement to facilitate the return of Afghan refugees from Pakistan. The agreement was signed in Islamabad today by the minister of state for frontier region, Mr Nisar A. Memon, Afghan Minister for Refugees Repatriations Dr. Firuz Azam and Chief of Mission UNHCR Mr. (Raymond W. Felt). The agreement immediately comes into effect and shall remain in force until the parties are agreed that the objectives of the commission have been achieved. Under the agreement a tripartite commission will be established for safe, orderly and voluntary repatriation of Afghan refugees and their successful reintegration in Afghanistan. The commission shall determine the policies and advise the parties on measures for achieving this objective.

The prime minister of Afghanistan, Mr. Golboddin Hekmatyar, attended a briefing of various divisions of the Ministry of Communications in Islamabad today. Federal Minister for Communication Mr. Ahmad Farooq said Afghanistan and Pakistan have been linked together in centuries-old religious, cultural, social and economic relations and these relations can be further strengthened by developing the communications sector. He expressed the hope that both countries will become the center of trade in the whole of Asia if they are able to establish firm communication links between them. Afghan Prime Minister Engineer Golboddin Hekmatyar said all the highways in Afghanistan are in dilapidated condition and require enormous amount of money and services of experts to rebuild them. Mr. Hekmatyar said the Afghan people are thankful to Pakistan for the efforts made to restore the communications system in Afghanistan. He said we wish that Pakistan plays a greater role in Afghanistan's reconstruction.

Spokesman on 'Hollowness' of Rao's Kashmir Remarks

BK1708112393 Islamabad Radio Pakistan Network in English 1100 GMT 17 Aug 93

[Text] A Foreign Office spokesman has said the massive participation of the people of occupied Kashmir in Pakistan's Independence Day celebrations has exposed the hollowness of the claim of the Indian prime minister on Sunday last [15 August] that Kashmir is part of India. The spokesman told newsmen in Islamabad today that Kashmiris in the held territory observed the India Independence Day as a black day, and these actions of the Kashmiris have clearly exposed the Indian claims. He said the legally invalid and politically untenable assertions by the Indian prime minister have never been accepted by the United Nations and the international community.

The spokesman said Pakistan has repeatedly called for a genuine dialogue to evolve a political solution of the Kashmir problem in accordance with the UN resolutions and in the spirit of the Simla Agreement. He said Pakistan remains committed to the quest for such a negotiated settlement.

India Asked To Stop 'Harassment' of Diplomats

BK1708143793 Islamabad PTV Television Network in English 1400 GMT 17 Aug 93

[Excerpts] Pakistan has called upon the Indian Government to stop harassment of its High Commission members in New Delhi and ensure respect in letter and spirit

to the code of conduct agreed to between the two countries. Briefing newsmen in Islamabad today, a Foreign Office spokesman said a driver of the Pakistan High Commission was recently beaten up in New Delhi, and telephones of Pakistani diplomats are being tapped. He regretted that, as part of the disinformation campaign aimed at vilifying Pakistan, certain circles in New Delhi have stepped a smear campaign against our high commissioner in India and members of the diplomatic mission. The spokesman said India is doing all this in sheer disappointment because of its failure on the Kashmir front. He said in the background of escalating Indian repression in occupied Kashmir, the Kashmiris had joined with ther brothers in Pakistan to celebrate Independence Day on 14th August. [passage omitted covered by referent item].

The spokesman also expressed deep concern at the continuing Armenian offensive against Azerbaijan. Pakistan, he said, calls upon the Armenian forces to cease their military offensive and withdraw from all Azeri territories occupied by them in accordance with the UN Security Council resolution.

Sri Lanka

LTTE Releases Policeman Held Prisoner in Jaffna

BK1708120493 Colombo Sri Lanka Broadcasting Corporation International Service in English 1045 GMT 17 Aug 93

[Text] The LTTE [Liberation Tigers of Tamil Eelam] terrorists have released another policeman, whom they were holding prisoner in Jaffna, last afternoon [16 August]. A military spokesman told LANKAPUVATH that the policeman had been released following his wife, who was visiting him in Jaffna, falling very sick and becoming hysterical when she was asked to leave with the 31 other relatives of the 32 policemen and a soldier still under LTTE incarceration, who had arrived in Colombo on Thursday night. The ministry spokesman gave the names of the released policemen and his wife as Mr. and Mrs. Perera. He said their initials were not yet available. He said that the policeman has been hand over by the LTTE to the ICRC [International Committee of Red Cross] and [word indistinct] travelling by boat accompanied by his wife from the small port of Point Pedro in the LTTE-held territory to the (Kakkay's) harbor, which is under military control. They spent the night at the Palali military base and will be flown back to Colombo.

Three LTTE Members Said Killed in Jaffna Explosion

BK1708121093 Colombo Sri Lanka Broadcasting Corporation International Service in English 1045 GMT 17 Aug 93

[Text] Three women LTTE [Liberation Tigers of Tamil Eelam] cadres were reported killed as a powerful explosion occurred in a terrorist camp in Jaffna last Friday [13 August]. According to reports reaching Colombo from Jaffna, the explosion was caused by a bomb (?been) detonated accidentally by one of the women cadres who was blown to bits along with two other terrorists.

Meanwhile, there are also reports that the anti-LTTE posters have been displayed in several parts of Jaffna peninsula. This was reported by LANKAPUVATH yesterday.

New Group of Refugees Repatriated From India

BK1708114693 Colombo Sri Lanka Broadcasting Corporation International Service in English 1045 GMT 17 Aug 93

[Text] Another batch of 354 families, numbering 1,131 persons, arrived in Trincomalee this morning from South India under the repatriation program. The chairman of the rehabilitation authority, Tilak Chandrasekera, told the SLBC [Sri Lanka Broadcasting Corporation] that these persons—mainly from Trincomalee, Vavuniya, Kilinochchi, Mullaittivu, and Jaffna—arrived by ship with the UNHCR [United Nations High Commissioner for Refugees] assistance. Mr. Chandrasekera said another four batches comprising per [as heard] thousand persons are expected to arrive before the end of this month. He said most of those who returned last week have been sent to their areas of residence and others from the uncleared areas have been sent to the Vavuniya rehabilitation camp.

Last year, about 29,000 persons returned from India. Out of 6,800 refugees who have volunteered to return to Sri Lanka this year, 2,260 persons have already arrived.